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**UNDERSTANDING AND ENGAGING IN THE CUSTOMER
EXPERIENCE**

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Introduction

In this assignment the author will be analysing important and vital factors that can make crucial impact on his company's ability to maximise customer value. Further analysis of the quality processes within author's chosen organisation also will be initiated to improve level of customer service provided. Author selected the company he worked for recently, five years in total, Abbey Cars UK Group. It will be called Abbey Cars in this assignment. The reason for choosing this company was that it is well known to the author from inside and it is also customer focused organisation due to the nature of its business.

Brief introduction of Abbey Cars. Founded in 1968 as a family business Abbey Cars now is one of the biggest taxis and private hire operators in UK. With its head office in Greenwich and 20 branches within Greater London area the company employs over 5,000 people on full, part – time and zero hours contract basis. Abbey Cars providing transportation services, including minicab private hire, chauffeur service, PCO licencing, PCO licenced cars for hire, coach and bus hire UK and Europe wide, plus hospital transportation and food delivery. Company's main rivals are London black cabs, Uber and Addison Lee. The author started his work for Abbey Cars as private hire driver, which is customer facing position. Later he worked as a shift controller and manager assistant, the positions involving dealing with customers and employees as well.

Due to the nature of author's work he was interacting with the customers on daily basis. The main goal of any driver within Abbey Cars company is to fulfil customers expectations by providing the best quality of services. In the next part of assignment, the author will be analysing the organisational structure of Abbey Cars and its departments responsible for the maintain of the customers value and relations.

The organisational structure of Abbey Cars, CRM, terms and conditions

The BusinessDictionary (2018) defines the meaning of organisational structure as "The typically hierarchical arrangement of lines of authority, communications, rights and duties of an organization. Organizational structure determines how the roles, power and responsibilities are assigned, controlled, and coordinated, and how information flows between the different levels of management". There are two types of organisational structure. **Centralised** structure means that all the decisions are made by the top management and very strict control over divisions and branches. The diagram below shows the example of such structure:

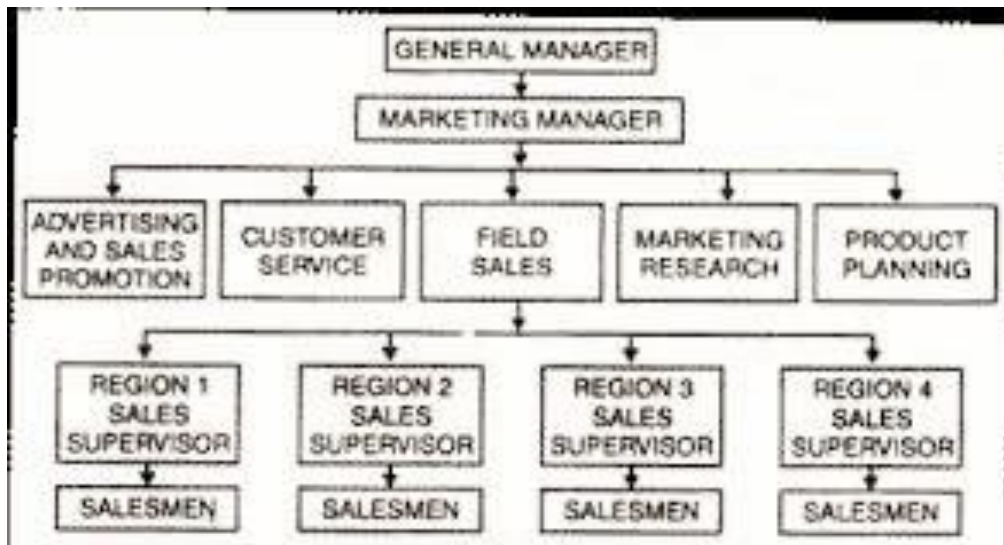


Diagram based on source: (Sharma, 2018)

In case of **decentralised structure**, the power of making decisions is distributed more evenly between different departments and they have more independence. The example of such structure is displayed below:

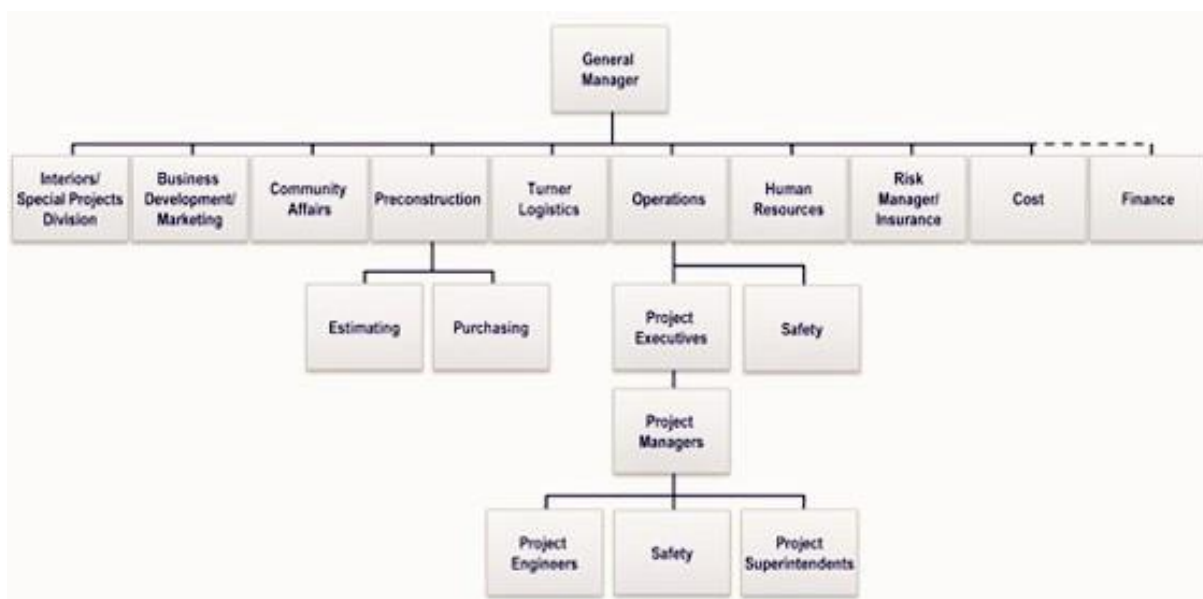


Diagram based on source: (turnerconstruction.com, 2018)

In case of Abbey Cars, the organisational structure will be of decentralised type with one head office with relevant departments and then branches all over the Greater London and South – East Anglia. Each branch is an independent franchise, which is normally rented to individuals with private hire operator licence, however all the branches need to report to the head office in relations to finance, staff recruitment, health and safety and of course customer service and complaints. The more detailed diagram of the organisational structure of Abbey Cars is presented below:

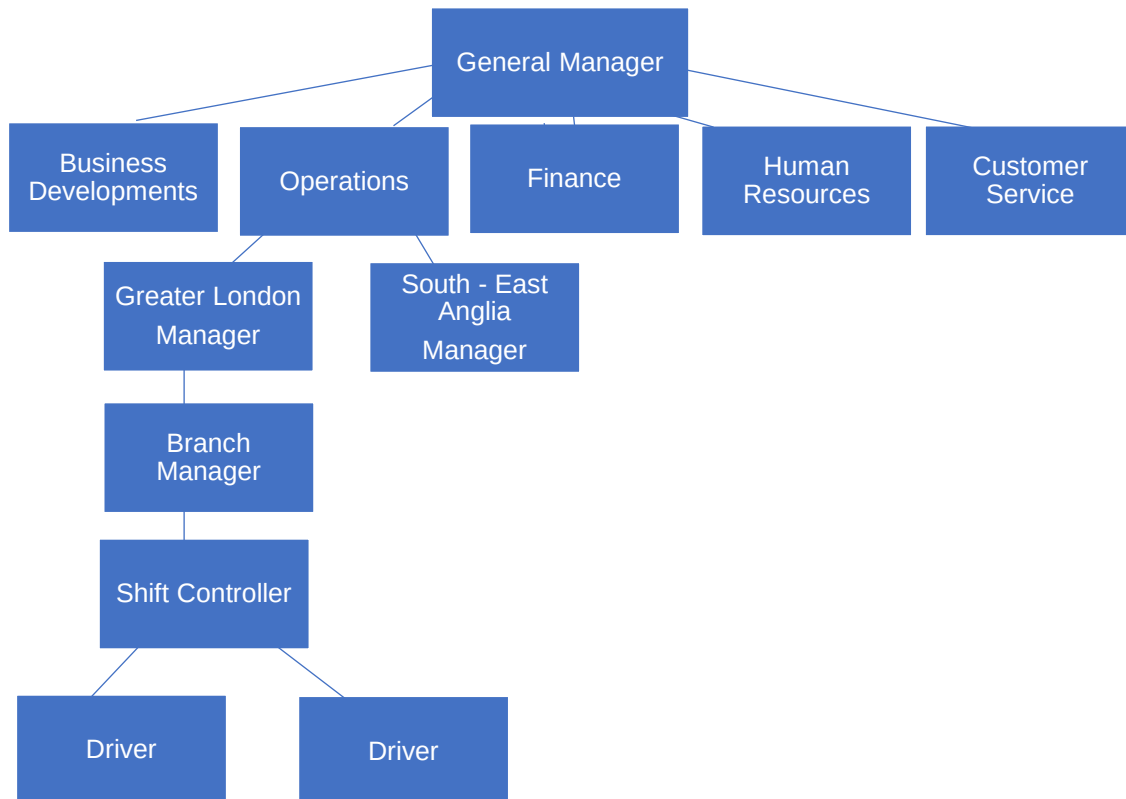


Diagram based on source: (Author's research)

The customer service department of Abbey Cars is in the company's head office in Greenwich. Currently it employs eight people responsible for everything concerned customer service, relations, complains and of course **CRM** (Customer Relationship Management) system. Rouse (2013) defines CRM as the whole set of strategies, technologies and practices which are used to gather, analyse and manage all the data related to the interaction between company and its customers. The data for CRM is collected through points of contacts or **touch points**. According to Pahwa (2018) touch points are the points of interaction between the organisation and its customers. There are two main types of touch points: **offline** (phone conversations, letters, printed marketing materials, office personal visits) or **online** (company's website, mobile app, company's accounts in social media, emails or live chats). Rouse (2013) points out that there are four models of CRM widely used in practice. Three of them are applicable to the Abbey Cars customer service case study.

1. **Contact centre:** sales and marketing representatives are generating the leads and send them to the system. Contact centre collect information and analyse it to update the customer service records. In case of Abbey Cars one contact centre agent and three sales and marketing representatives are involved in this activity.
2. **Social CRM:** this model involves company's interaction with the customers through social media platforms such as Facebook, Twitter, Instagram and YouTube. In Abbey Cars one designated person is dealing with this matter by constantly monitoring all the conversations in company's social media accounts.

That way some issues regarding customer service quality can be resolved instantly and make customers happy. These accounts are also used for open discussions regarding company's culture and behaviour. The customers feedback on those matters is very important and highly valuable.

3. **Mobile CRM:** these are built for the use in smartphones applications to give the ability for sales representatives and marketing analytics to access related customer information on the go. In case of Abbey Cars, it is currently undergoing testing.

To make it more visible the author presented the screenshots of Abbey Cars website and relevant social media accounts in the figures shown below:

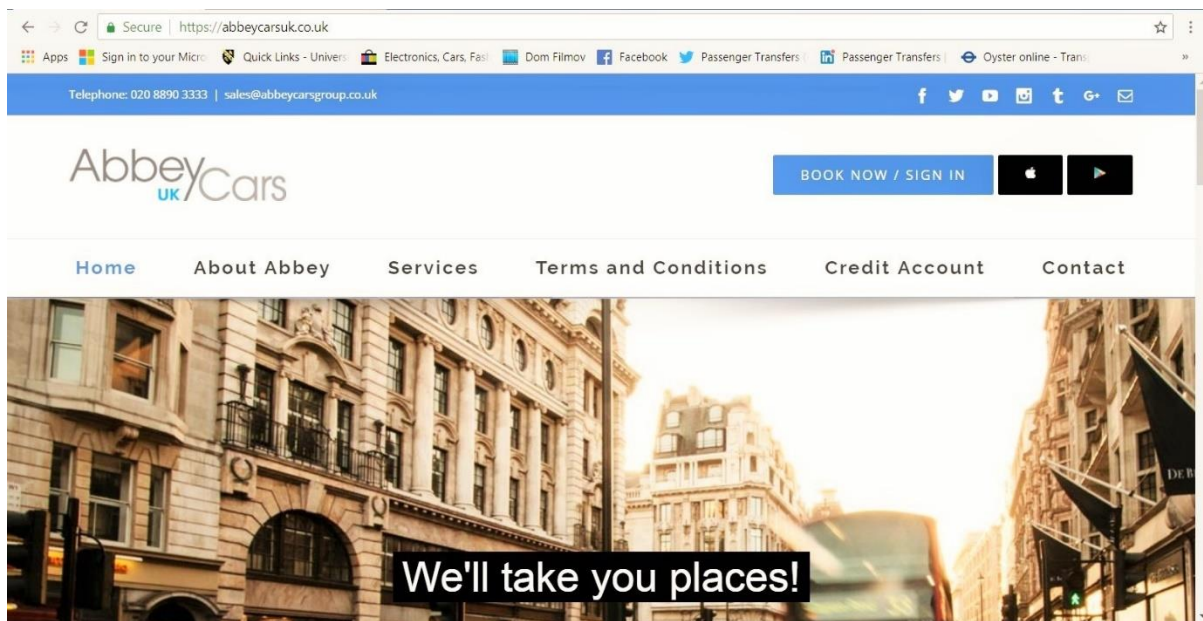


Figure 1: *The screenshot of Abbey Cars website home page.*

Source: (www.abbeycarsuk.co.uk, 2018)

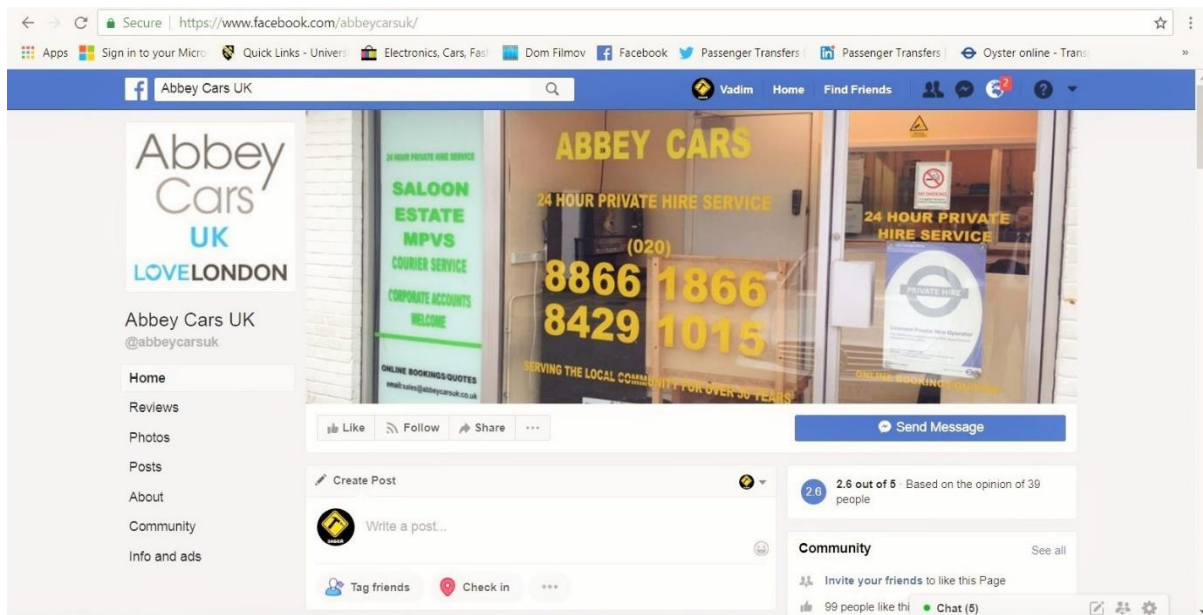


Figure 2: The screenshot of Abbey Cars Facebook account.

Source: (www.facebook.com, 2018)

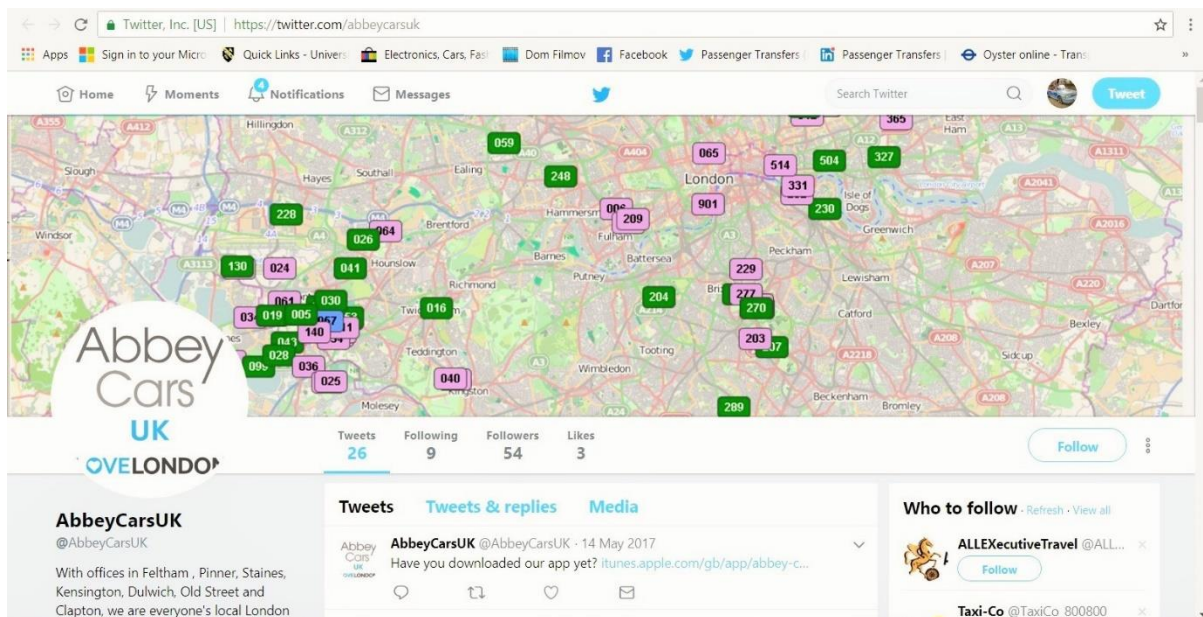


Figure 3: The screenshot of Abbey Cars Twitter account.

Source: (www.twitter.com, 2018)

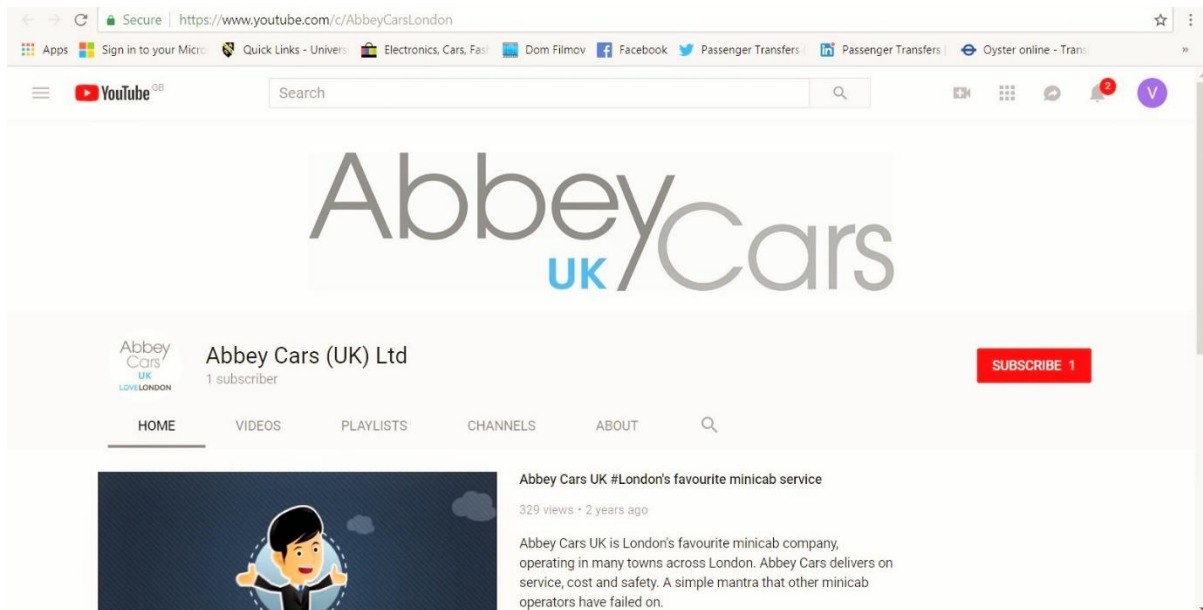


Figure 4: *The screenshot of Abbey Cars YouTube account.*

Source: (www.youtube.com, 2018)

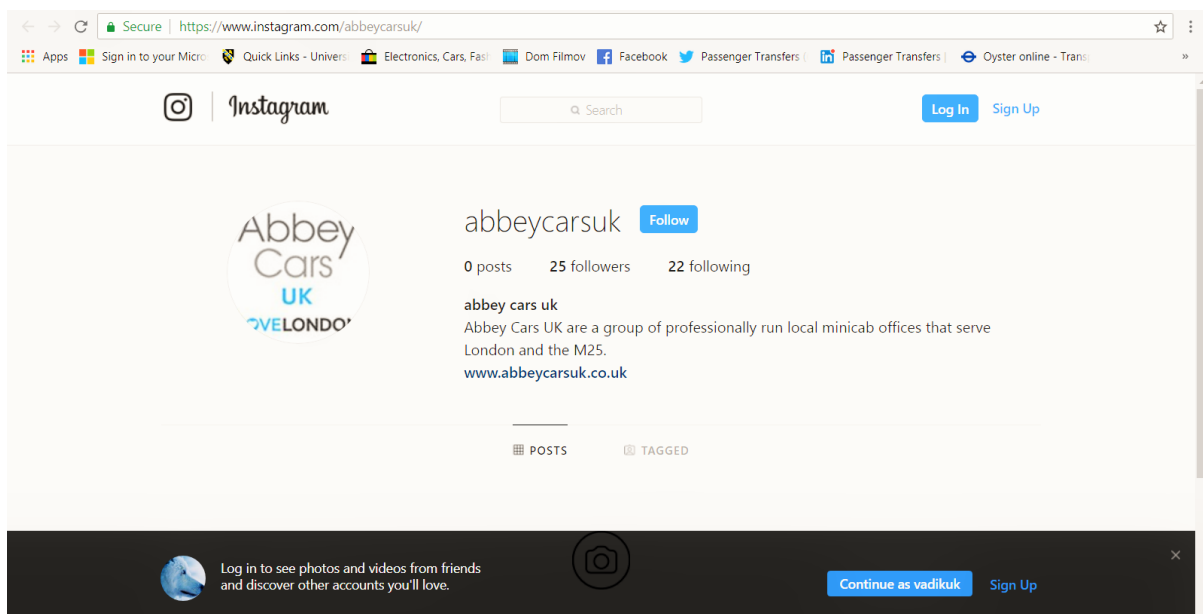


Figure 5: *The screenshot of Abbey Cars Instagram account.*

Source: (www.instagram.com, 2018)

Another vital part of relations between company and its customers is the presence of well – drafted terms and conditions. Nielsen (2015) points out the importance of removing any uncertainty and misunderstandings by establishing the real agreement between two parties. Terms and conditions are setting out the rules of engagement for both company and customers and helps them to understand their duties, rights and responsibilities.

The author has analysed the **Terms & Conditions of Carriage** provided by Abbey Cars on their official website and extracted the main points which should be looked at:

1. **Making the booking:** after successful booking the customer receive an acknowledgement email with confirmation of the payment and journey details. Customer is responsible for the checking all details in the email to make sure they are correct. In the case of airport pick – up the customer will be advised about driver's location and the ways of getting there. In the case of airport drop – off the customers are advised to plan their journey to be in the airport 2-3 hours before flight departure. Abbey Cars does not accept any responsibility for missed flights in any way for any reason (traffic, breakdowns, accidents or other unforeseen circumstances).
2. **Pricing policy:** prices are calculated on the website will be correct at the time of booking. The distance, time of travel and number of passengers will be taken into consideration.
3. **Waiting time:** first 60 minutes of waiting time after the flight has landed are free of charge. After 60 minutes the charge of £20 per hour will be applied.
4. **Amendment policy:** any amendment must be made through email or by the telephone. No amendments to be made with the driver.
5. **Re-Booking policy:** bookings must made through the controller, via the website, telephone or email. It's illegal for private hire drivers to accept bookings directly.
6. **Cancellation policy:** Abbey Cars will be accepting cancellations made at least 24 hours before the journey. All cancellations are to be made via an email, an acknowledgment email will be sent out to the customer to confirm it. In case of missing acknowledgment email the 24/7 office number is provided to resolve any issues. All the calls will be recorded for training and quality improvement purposes.

Quality management and improvement within Abbey Cars along with challenges and creation of the customers value will be analysed by the author in the next part of assignment.

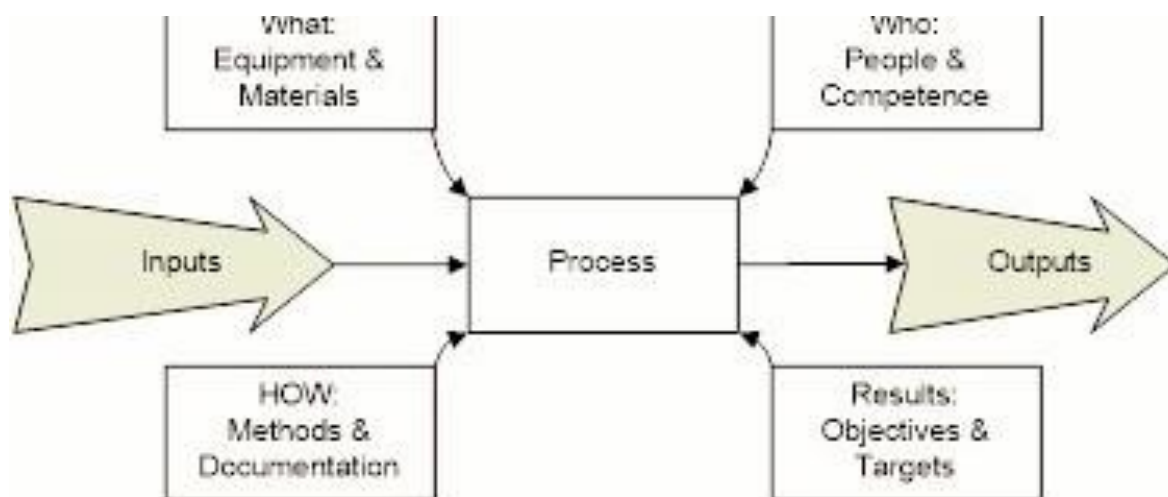
Quality management, SRM, challenges and customers value creation

BusinessDictionary (2018) defines quality management as administration exercises and capacities engaged with assurance of value approach and its execution through means, for example, quality arranging and quality affirmation (counting quality control). Managing and controlling quality of services provided by the company or organisation is vital for the continuity of the business, its success and prosperity. ASQ (2018) states that to help companies effectively maintain an efficient quality system the set of international standards called ISO 9000 was introduced in 1987. According to these standards there are seven quality management principles that can be applied by the top management. The most relevant principles and subprinciples to the activities of Abbey Cars towards improving of quality management are shown in the table below:

Customer focus Considering the needs of recent and potential customers; Regulating organisational purposes to meet customer needs and opportunities; Meeting customer necessities; Managing customer relations; Targeting to exceed customer hopes.	Leadership Create a vision and direction for the company; Set inspiring targets; Create the atmosphere of confidence; Train and authorize employees; Distinguish employees' contributions.	Engagement of people Guarantee that people's capacities are used and respected; Make people being responsible; Appraise individual performance; Enable open debates regarding the problems.
Process approach Managing actions as developments; Determining the capability of actions; Recognize connections between actions; Arrange resources effectively.	Improvements Improve company's performance and aptitudes; Give people more power to make improvements; Continually measure improvements; Mark successful improvements by celebration.	Evidence – based decision - making Ensure the data is accurate and from reliable sources; Use suitable and approved methods to analyse the data; Conclusions to be made after thorough data analysis; Compare analysed data with the real-life experience.
Relationship management Identification and selection of suppliers to accomplish costs, enhance resources and create value; Establishing short and long – term relationships; Co-operate on enhancement and expansion activities; Acknowledge the supplier success.		

Table based on source: (ASQ, 2018)

In the case of Abbey Cars all those seven principles have been used to improve quality management. Regarding **customer focus**, the company does consider the needs of recent and potentially new customers. It was acknowledged in the company's Terms and Conditions of Carriage. **Leadership** commitments are provided by creating vision and mission of the business company involved in and by the various training activities within senior management and the drivers. The company also recognises the best employees of the month by awarding them discounted holidays tours or high street retail vouchers. Abbey Cars are making sure that the **engagement of the people** is consistent. The company respects every individual working for the business and currently introduced short individual surveys within the workforce to establish employee's opinions about company's policies and guidelines, problems with the management and possible ways to resolve those problems. This introduction of the surveys is the continuation of the use of human relations management theory firstly used by Elton Mayo in his studies called Mass Interviewing Programme (1928 – 1931). Mulder (2017) describes this study as the experiment designed towards exploring the feelings of employees within their informal groups. These groups within Abbey Cars were and still very influential and playing big role in forming company's culture and behaviour. **Process approach** according to Hammar (2015) is also very important part of the quality management. In the diagram shown below is the simplified structure of the process approach:



The diagram based on source: (Hammar, 2015)

In case of Abbey Cars improving interactions between drivers and customers is equally important as the process of improving interactions between sales representatives and control centre. The outputs of those two processes can increase the level of quality. **Improvements** are also very important when it comes to quality management. They are the result of the certain actions and activities within the company. The improvements need to be noticed and acknowledged. In Abbey Cars the customer service is responsible for the measuring of improvements. The top management role on the other side is to encourage the workforce towards making improvements by using formal and informal types of communications. **The evidence – based decision - making** is more concerned about collection and analysis of the relevant data. According to Stonebraker and Howard (2018) it was firstly developed in

the health science and was founded on evidence – based medicine and evidence – based practice. In Abbey Cars scenario management decisions to improve quality management must be based on the combination of critical thinking and best evidence available. The gathering of the evidence will be achieved by using CRM. And finally, **relationship management**. It underlines the importance of **Supplier Relationship Management (SRM)**. Rouse (2013) defines **SRM** as “the systematic approach of assessing suppliers' contributions and influence on success, determining tactics to maximize suppliers' performance and developing the strategic approach for executing on these determinations. It helps to create positive buyer-supplier relationships and determines which activities to engage in with each supplier”. The typical target of SRM is to rationalise and expand procedures between a buyer and its suppliers just as customer relationship management (CRM) is proposed to rationalise and progress the processes between the company and its customers. The diagram below shows the simplified structure of SRM:

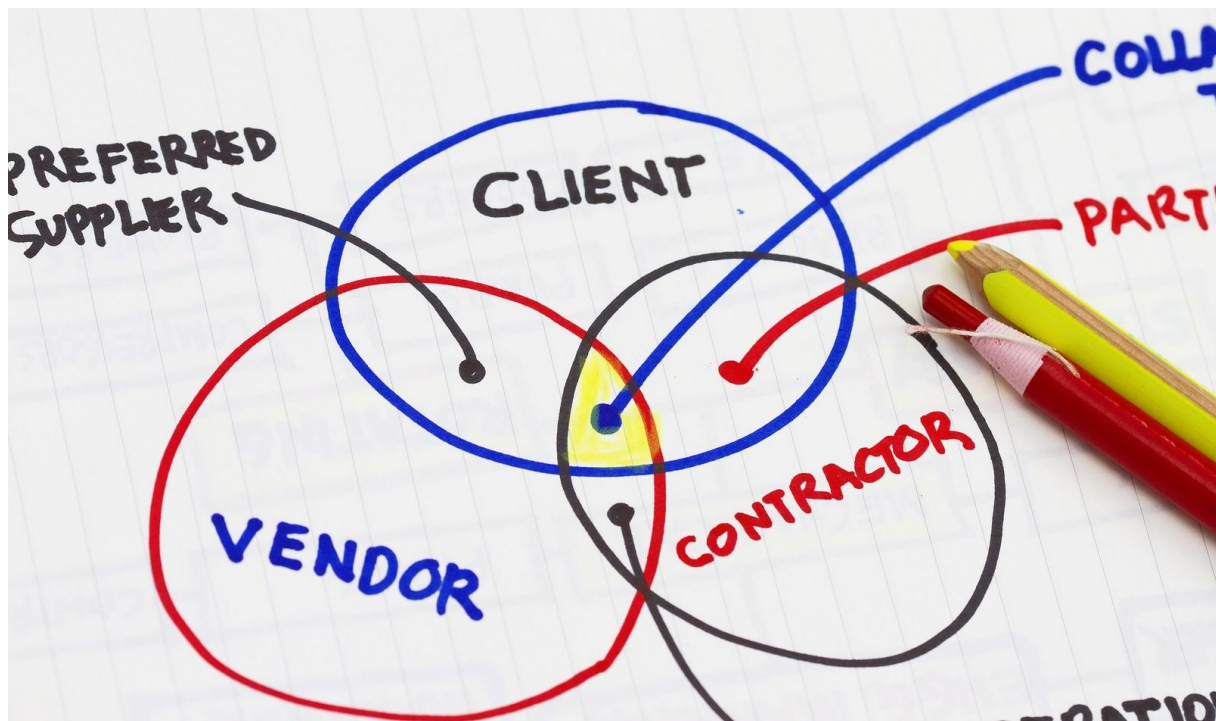


Diagram based on source: (USC, 2015)

In Abbey Cars study case the vendor of the business would be car hire companies supplying the vehicles for work together with all the maintenance and services involved, plus insurance company providing legal services as a back - up for providing transportation services. The contractor would be the Abbey Cars as a service provide to its customers named also as clients. This is simplified view of supply chain network within Abbey Cars organisational structure. To be more effective, the supply chain management must be allowing to adjust certain operations as quickly as possible. The maintaining of the vehicles in the roadworthy state is crucial for the whole business. Therefore, constant interaction between vendor and contractor is vital. Same goes for contractor – client interaction. Understanding customer needs and requirements would help to adjust company's policy and guidelines in instant to keep quality management at the top level.

Now the author will analyse the **challenges** Abbey Cars will be facing along the process of quality improvement. There are few of them: firstly, the change in the market situation, the success of competitors. Second one is the politics, and everything related to them, changes in the foreign policy, the Brexit aftermath. Because of that currency instability and rise of the prices from vendors. Environment issues could be the other potential challenge, as well as changes in local and national laws.

Mahajan (2016) says: “creating **customer value** increases customer satisfaction and the customer experience”. To produce real value, the company or organisation must recognize what customer distinguishes as value. Anderson and Narus (1998) are giving this definition of customer value: “Value in business markets is the worth in monetary terms of the technical, economic, service and social benefits a customer company receives in exchange for the price it pays for a market offering”. In other words, value is what the customer is getting for the money it pays. In the next part of assignment, the author will be analysing the most important factors, which can maximise the customers value.

How to maximise customers value in Abbey Cars study case

Abbey Cars are providing transportation services, so in this case maximising customer value can be achieved by increasing the quality of every single journey, enhancing customer experience for the better side and keeping low and affordable prices. The research provided by Ramshaw (2016) states that there are three main strategies to increase customer value. The author has adapted them to the case of Abbey Cars working environment:

1. Sales: Increase per customer sales.

This basically means selling more services to existing customers. In case of Abbey Cars that could be achieved by offering additional services to the long – established permanent customers or accounts as they called for short in author’s company. For example, Abbey Cars has long time running contract with a few care homes based in the Hammersmith and Chiswick area of West London. Company provides transportation for the doctors, nurses and patients from care homes to hospitals or residential areas. In author’s memory, he received a few complains from the care homes staff that sometimes it is difficult for them getting to work during weekends, tube strikes or bank holidays. The author thinks here is the possibility for Abbey Cars to provide additional service for the client mentioned above. It can be called “home – work – home” shuttles. In the previously divided geographical areas of Greater London the morning collections for 3-5 people of staff living close by can be arranged to deliver them to the place of work. The same collection from place of work back home can be done in the evening after the end of the shift. That additional service will not increase per customer sales but also generate good amount of profit for the company. Another additional service for company can be parcel collection and delivery for the permanent customers.

2. Loyalty: Keeping customers longer.

Another way to increase customer value. In the case of Abbey Cars all the customers can be divided into three main groups:

- **Permanent businesses contracts:** to keep these customers longer, first, the company needs to provide faultless level of service, always on time and accurate as required by the contract. Secondly, the additional services as author mentioned before will not only increase customer sales but also keep them happy with the company for longer time.
- **Permanent residents' contracts:** same requirements to the keeping contracting conditions plus introducing loyalty cards. Similar cards the coffee shops are using in many places these days. For example, after completing each trip the customer gets the marked note in his or her card and after five trips being done the sixth one will be coming with 50% price reduction. Also, the group discounts can be introduced for frequently travelling contract customers. All this will keep the steady number of loyal customers for long time.
- **Casual businesses or contracts:** the main task here would be trying to make them becoming permanent. The use of loyalty cards in this case is recommended. Carefully listening to the customers requests and needs will help to identify the best suitable level of service they can receive. Marketing in the form of surveys would be very useful for that purpose.

3. Costs: lowering the price of the service.

In the case of Abbey Cars, it is not always possible to lower the price for some trips and destinations. They have been fixed and logged into the booking system. However, some local fares can be amended for the permanent customers. For example, making the minimum fare price of £4.80 within 2 miles radius of destination will attract more low-cost customers, especially elderly people committing shopping on the daily basis. As the result they will start using the service more often. This will help to increase company's profits and increase customers value too.

Conclusion

In this assignment the author identified the main factors of establishing customer service relations, their management in application to the study case of Abbey Cars. The assignment also mentioned CRM system as one of the key strategy methods to improve interaction between company and its customers. The quality management principles and their relevance to the Abbey Cars business activity were highlighted as well. The role of supply chain management was discussed and its implementation to the Abbey Cars study case was mentioned. The creating of customer value and ways to increase it within one specially selected organisation was supplied according to the authors opinion and life experience. The author himself has gained a lot of managerial experience and creative ideas while working on this assignment. It will help him in his future role as an entrepreneur of his own business venture.

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Web links

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<https://www.facebook.com/abbeycarsuk/>

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<https://www.youtube.com/c/AbbeyCarsLondon>

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<https://advisera.com/9001academy/blog/2015/12/01/iso-9001-the-importance-of-the-process-approach/>

<http://www.usccg.com/blog/supplier-relationship-management/>