IMPROVING CUSTOMER SERVICE:
LINKING CUSTOMER CONTACT MANAGEMENT
WITH MARKETING DATABASES

Submitted in fulfilment of the degree of
Doctor of Philosophy
2003

Sarah Spencer-Matthews
MBM, Grad Dip Bus Mngt, BA Soc Sci.

University of the Sunshine Coast
For my Mum...
Abstract

The strategic importance of customer service has resulted in companies striving to enhance customer experience and satisfaction in attempts to deliver quality in a competitive marketplace. This quality is being achieved through organisations using interactions at customer contact points to communicate their understanding of, and ability to meet, individual customer needs – in other words, to provide customised customer contact service. At the core of customised customer contact service is information that may be collected, maintained and retrieved through a marketing database. The combination of customer service strategy with information technology culminates in the concept of customer contact management (CCM) and is a new strategic device for business that requires further research. Thus, this research addresses the research problem of: How and why can customer contact services use information from database marketing to provide customised customer service?

To address this research problem a review of literature was undertaken in Chapter 2 and identified gaps in the body of knowledge about customer contact management. A new theoretical framework was developed consisting of six stages from the initial input to subsequent output of information in a customer contact sense. The theoretical framework was the focus for data collection and analysis in stage two of this research. The six research issues (RI) arising from the theoretical framework were:

RI 1 What information relevant to customer contact service is utilised for database marketing and how?
RI 2 How is information utilised in the provision of standardised customer service and why?
RI 3 What information from customer service transactions and/or interactions can be integrated into the database, and why?
RI 4 What is driving the opportunity for customised service and why?
RI 5 How can individualised communication be incorporated into the total customer contact service?
RI 6 How and why can feedback be incorporated into integrated database marketing?

This research followed a two-stage qualitative research approach. The first stage, convergent interviews, involved conducting nine in-depth interviews with respondents selected according to their interest and expertise in CCM. All respondents were consultants to industry and so had knowledge across many industries and firms and
were likely to be more advanced in their understanding and exposure to an emerging field like CCM. Stage two research involved case research with healthcare, hospitality, government and financial institutions. In total, nine cases were studied with multiple interviews for each case, totalling 34 face-to-face, in-depth interviews.

The findings for stages one and two have been analysed by identifying themes and patterns in the data. A combination of case/issue matrices along with quotations was used to report the findings. The main findings for stage one of the research were, firstly, that there are many benefits of successful CCM implementation. Secondly, industry experts observed a changing picture as customer contact service emerged from a piecemeal to a more systemic approach. Thirdly, despite the positive prospects offered by customer contact service, most respondents felt that organisations had opportunities for improvement in CCM. The final finding for stage one research was that although CCM provides opportunities the interviewees indicated that there are barriers to its successful implementation.

Three main conclusions have emerged from the analysis of stage two research. Firstly, information and feedback from the marketing database and customer service interactions can be used to improve customer service. Secondly, there are opportunities for customer service using customer contact management. Finally, implementation of customer contact management is problematic.

The contributions of this research emerge from those conclusions in the development of a theoretical and practical model that answers the research problem. The model shows how customised service can be implemented through the process of CCM. In addition, knowledge in the disciplines of customer service and database marketing are further extended within the context of CCM.

**Keywords:** Customer Contact Management; Customer service; Customised service; Database marketing; Implementation.
Table of contents

Abstract iii
Table of contents v
List of Tables ix
List of Figures xi
Abbreviations xiii
Statement of original authorship xiv
Related papers and presentations during this research program xv
Acknowledgments xvii

Chapter 1 Introduction 1
  1.1 Background to the research 1
  1.2 Research problem and research issues 2
  1.3 Justifications for the research 4
  1.4 Introduction to the methodology 5
  1.5 Definitions used in this report 7
  1.6 Delimitations of scope for this research 8
  1.7 Outline of the thesis 9
  1.8 Conclusion 10

Chapter 2 Literature review 11
  2.1 Introduction 11
    2.1.1 Definitions of key terms 12
  2.2 Parent theory one: customer service and the marketing of services 15
    2.2.1 General classification of services 16
    2.2.2 Customer service and the services marketing mix 19
<table>
<thead>
<tr>
<th>4.5</th>
<th>Criteria for case selection</th>
<th>102</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.5.1</td>
<td>Basic types of case research design</td>
<td>102</td>
</tr>
<tr>
<td>4.5.2</td>
<td>Multiple case research design</td>
<td>103</td>
</tr>
<tr>
<td>4.5.3</td>
<td>Case selection using replication logic</td>
<td>104</td>
</tr>
<tr>
<td>4.5.4</td>
<td>Number of cases and their selection protocol</td>
<td>105</td>
</tr>
<tr>
<td>4.6</td>
<td>Data collection technique</td>
<td>106</td>
</tr>
<tr>
<td>4.7</td>
<td>Method of case analysis</td>
<td>111</td>
</tr>
<tr>
<td>4.8</td>
<td>Ethical considerations</td>
<td>113</td>
</tr>
<tr>
<td>4.9</td>
<td>Limitations</td>
<td>115</td>
</tr>
<tr>
<td>4.10</td>
<td>Conclusions</td>
<td>117</td>
</tr>
</tbody>
</table>

Chapter 5  Data analysis  

<table>
<thead>
<tr>
<th>5.1</th>
<th>Introduction</th>
<th>118</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.2</td>
<td>Details of participants</td>
<td>119</td>
</tr>
<tr>
<td>5.3</td>
<td>Analysis of research issues</td>
<td>123</td>
</tr>
<tr>
<td>5.3.1</td>
<td>Analysis of results for research issue 1: Information and database marketing</td>
<td>124</td>
</tr>
<tr>
<td>5.3.2</td>
<td>Analysis of results for research issue 2: Information and standardised customer service</td>
<td>131</td>
</tr>
<tr>
<td>5.3.3</td>
<td>Analysis of results for research issue 3: Customer service integration with the database</td>
<td>138</td>
</tr>
<tr>
<td>5.3.4</td>
<td>Analysis of results for research issue 4: Customised service</td>
<td>146</td>
</tr>
<tr>
<td>5.3.5</td>
<td>Analysis of results for research issue 5: implementation of CCM</td>
<td>159</td>
</tr>
<tr>
<td>5.3.6</td>
<td>Analysis of results for research issue 6: Feedback to the database</td>
<td>171</td>
</tr>
<tr>
<td>5.4</td>
<td>Conclusions about the research issues</td>
<td>174</td>
</tr>
</tbody>
</table>

Chapter 6  Conclusions  

<table>
<thead>
<tr>
<th>6.1</th>
<th>Introduction</th>
<th>179</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.2</td>
<td>Conclusions from this research</td>
<td>181</td>
</tr>
<tr>
<td>6.2.1</td>
<td>Conclusion 1: Information from the marketing database and customer service interactions can be used to improve customer contact service.</td>
<td>184</td>
</tr>
<tr>
<td>6.2.2</td>
<td>Conclusion 2: There are opportunities for customised service using customer contact management.</td>
<td>191</td>
</tr>
<tr>
<td>6.2.3</td>
<td>Conclusion 3: Customer contact management is able to be implemented</td>
<td>195</td>
</tr>
</tbody>
</table>
6.3 Conclusions about the research problem 198
6.4 Implications for theory 202
6.5 Implications for practice 205
6.6 Limitations and further research 206
6.7 Conclusion 207

References 208

List of appendices: 224

APPENDIX A
   Guide for Convergent Interviews 225

APPENDIX B
   Guides for Case Interviews 229

APPENDIX C
   Customer Surveys 246
List of Tables

| Table 2.1 | Estimated input of functional areas to customer service | 29 |
| Table 2.2 | Characteristics of database marketing and example authors | 33 |
| Table 2.3 | Steps of development in database marketing | 36 |
| Table 2.4 | Development towards customer contact management from customer relationship management in database marketing | 48 |
| Table 3.1 | Participants of stage 1 research – in order of interview sequence | 70 |
| Table 3.2 | Research issues and corresponding questions for convergent interviews | 73 |
| Table 3.3 | Observation of customer contact service | 76 |
| Table 3.4 | Service strategy and customer contact service | 77 |
| Table 3.5 | Customer expectations of customer contact service | 78 |
| Table 3.6 | Relevant customer contact points | 79 |
| Table 3.7 | Data integration of customer contact points | 80 |
| Table 3.8 | Relevant industries for CCM | 81 |
| Table 3.9 | Implementation issues for CCM | 82 |
| Table 3.10 | Responsibility for CCM | 83 |
| Table 3.11 | Benefits of CCM | 83 |
| Table 4.1 | Alternative research paradigms | 88 |
| Table 4.2 | Four types of research design for case research | 102 |
| Table 4.3 | Replication logic for cases in this research | 104 |
| Table 4.4 | Interview questions aligned to the research issues | 110 |
| Table 4.5 | Limitations of this research and strategies to address them | 116 |
| Table 5.1 | Overview of cases | 121 |
| Table 5.2 | Information types captured for database marketing | 125 |
| Table 5.3 | Database marketing utilisation | 127 |
| Table 5.4 | Degree of standardisation of service | 132 |
| Table 5.5 | Customer experience of contact service – now and in 5 years time | 135 |
| Table 5.6 | Contact point usage: now and in 5 years | 142 |
| Table 5.7 | Contact points nominated as used most frequently by customers | 145 |
| Table 5.8 | Customer research on CCM | 149 |
| Table 5.9 | Consumer perceptions of CCM importance | 150 |
Table 5.10  Current progress towards CCM  153
Table 5.11  Future implementation plans for CCM  154
Table 5.12  Measurement methods for CCM  156
Table 5.13  Smoothness of implementation for CCM  160
Table 5.14  Market factors relating to CCM implementation  163
Table 5.15  Factors in implementation of CCM  165
Table 5.16  Relevant contact points for CCM  172
Table 5.17  Main findings from the research issues  175
Table 6.1  Research issues for this research  179
Table 6.2  Identification of the three main conclusions of this research in relation to the research issues and theme findings  182
Table 6.3  Contributions of this research to the literature, synthesised from the findings from Chapter 5 and the three main conclusions  183
# List of Figures

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figure 1.1</td>
<td>Initial theoretical framework to aid data collection for determining how and why can customer contact services use information from database marketing to provide customised customer service?</td>
<td>3</td>
</tr>
<tr>
<td>Figure 2.1</td>
<td>Outline of literature review, showing main sections and their inter-relationships</td>
<td>11</td>
</tr>
<tr>
<td>Figure 2.2</td>
<td>The relationship of customer service to customer contact service</td>
<td>13</td>
</tr>
<tr>
<td>Figure 2.3</td>
<td>Customer contact continuum</td>
<td>22</td>
</tr>
<tr>
<td>Figure 2.4</td>
<td>Leveraging customised information for future hotel service encounters</td>
<td>26</td>
</tr>
<tr>
<td>Figure 2.5</td>
<td>Contact points and disconnected data flow - the customer commonly experiences discontinuous contact service</td>
<td>43</td>
</tr>
<tr>
<td>Figure 2.6</td>
<td>Integrated contact points and data flow - the customer has an expectation of seamless interaction at any point</td>
<td>45</td>
</tr>
<tr>
<td>Figure 2.7</td>
<td>Association between CRM and CCM</td>
<td>47</td>
</tr>
<tr>
<td>Figure 2.8</td>
<td>Theoretical framework, with numbers indicating the research issues and each box representing different stages: Integrating customer contacts through the marketing database to deliver customised customer contact service</td>
<td>49</td>
</tr>
<tr>
<td>Figure 3.1</td>
<td>Outline of chapter, with section numbers and their interrelationships</td>
<td>63</td>
</tr>
<tr>
<td>Figure 3.2</td>
<td>The convergent interviewing process for this research</td>
<td>66</td>
</tr>
<tr>
<td>Figure 3.3</td>
<td>Amended theoretical framework incorporating high value customers</td>
<td>84</td>
</tr>
<tr>
<td>Figure 4.1</td>
<td>Outline of chapter with section interrelationships and numbers noted</td>
<td>86</td>
</tr>
<tr>
<td>Figure 4.2</td>
<td>Blend of induction and deduction for theory building in this research</td>
<td>95</td>
</tr>
<tr>
<td>Figure 5.1</td>
<td>Outline of Chapter 5, with section numbers</td>
<td>118</td>
</tr>
<tr>
<td>Figure 5.2</td>
<td>Customer service information relevant to the database and how it relates to the CCM process</td>
<td>140</td>
</tr>
<tr>
<td>Figure 5.3</td>
<td>Summary of specific value measures for CCM</td>
<td>157</td>
</tr>
<tr>
<td>Figure 6.1</td>
<td>Outline of Chapter 6</td>
<td>180</td>
</tr>
</tbody>
</table>
Figure 6.2  Summary of conclusions for this research: transforming standardised customer service into customised customer service. 181

Figure 6.3  Revised theoretical framework for CCM 200
## Abbreviations

Several abbreviations are used throughout this thesis:

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCS</td>
<td>customer contact service (defined in Section 1.5)</td>
</tr>
<tr>
<td>CCP</td>
<td>customer contact points (defined in Section 1.5)</td>
</tr>
<tr>
<td>CCM</td>
<td>customer contact management (defined in Section 1.5)</td>
</tr>
</tbody>
</table>
Statement of original authorship

I certify that the ideas, research work, results, analyses and conclusions reported in this thesis are entirely my effort, except where otherwise acknowledged. I also certify that the work is original and has not been previously submitted for any award, except where otherwise acknowledged.

------------------------------------       /     /
Sarah Spencer-Matthews
(Candidate)

Endorsed by:

------------------------------------       /     /
Dr Meredith Lawley
(Supervisor)

------------------------------------       /     /
Professor Chad Perry
(Supervisor)
Related papers and presentations during this research program

**Book chapters**


**Conference proceedings – refereed**


**Publications**


**Doctoral colloquiums, work-in-progress workshops and other presentations**

Presentation at School of Marketing Doctor Colloquium, Griffith University (Professor Janet McColl-Kennedy, Associate Professor Lorelle Frazer, Dr Jane Summers, Dr Mark Brown, Dr Aron O’Cass, Dr Hume Winzar), 04 October 2002.

Work-in-progress presentation at Southern Cross University, 28 February 2002 (Prof. Francis Buttle, School of Marketing, Macquarie University, Sydney).

Work-in-progress presentation at Southern Cross University, 21 January 2002 (Prof. Walter Good, University of Manitoba Canada).

Work-in-progress presentation at Southern Cross University (Dr Meredith Lawley, Dr Jane Summers, Dr Marilyn Healy, Assoc. Prof. Oystein Jensen) 16 April 2001.

Work-in-progress presentation at Southern Cross University (Dr Meredith Lawley, Assoc Professor Chad Perry, Dr Julienne Stewart) 10 March 2000.
Work-in-progress presentation at University of Southern Queensland (Dr Meredith Lawley, Assoc Professor Chad Perry, Professor Adrian Palmer) 2000.

Work-in-progress presentation at University of Southern Queensland (Dr Meredith Lawley, Assoc Professor Chad Perry, Assoc Prof Sheelagh Matear) 2000.


One-on-one discussions
Professor Francis Buttle of Macquarie University, February 2002
Professor Ian Wilkinson of University of New South Wales, July 2002
Professor David Carson of University of Ulster, October 2002
Associate Professor Sheelagh Matear of University of Otago, September 2000
Acknowledgments

The completion of this thesis would not have been possible without the support of my wonderful supervisors Professor Chad Perry and Dr Meredith Lawley. I know that without the involvement of Chad that this thesis would have been over taken by other priorities long ago. Chad has the amazing ability to motivate, inspire and engender commitment and loyalty. I never left from a meeting with Chad feeling anything other than enthused. Likewise, Meredith is also one of the nicest people I know and her encouragement has meant a lot to me particularly over the last year. Meredith has been exceptional in her ability to pick up on finer details and always brought a fresh viewpoint to issues I was stuck on. Thank you, Chad and Meredith, I feel privileged to have had your support throughout this thesis and hope that we will keep in touch.

I would also like to acknowledge the input of the academic community for listening and providing feedback to me about my topic. My research area is something that I am still passionate about and I have bent many an ear over coffee and wine. The formal academic sessions and presentations have also provided significant insights into my research and enabled me to fine tune the direction and output where appropriate.

Thanks also to my Mum and Dad for their help and encouragement. In particular, thank you for being such wonderful grandparents to Harrison. You have given Harrison many hours of entertainment which he has found delightful (and you too I suspect!). Thank you also, Mum, for looking after my household during the busy times especially these last few weeks. Thanks also to the rest of the family and our friends who must be sick of the excuses – soon I will be footloose and fancy free to party whenever I like!

Without the love and assistance of my husband Lindsay, this thesis would not have come to fruition. Your support has been in so many important ways – and you can probably recite a lot of this work in your sleep. Thank you, Lindsay, for this. I am very lucky to have you in my life and look forward to having the time to spend with you again – perhaps we are about to enter those halcyon days we often dream about where life starts to settle down a bit. Regardless, the last thirteen years have been wonderful with you and I know our future together is rosy.

Finally, I thank my baby son Harrison. Thank you for being such a wonderful person. People often comment on how I could possibly do my PhD, work and be a new mum all at once. This has only been possible because of you Harrison. You are an unbelievably amazing little boy – so happy and easy to be with. I look forward to spending a lot more quality time and love with you too Harrison. Cheers, gorgeous!

September 2003
Chapter 1  Introduction

1.1  Background to the research

Customer service has strategic importance (Dean & Terzirovski 2000) and requires companies to continually enhance customer experience and satisfaction, to deliver quality in a competitive marketplace (Schneider & Bowen 1999). Customer service refers to the processes and actions that make it easier for customers to do business with a company (Kotler 2000). In particular, there has been growth in customer contact services, that is, personal communication channels such as face-to-face, mail, phone and the web that impact on the way a customer may interact with a business (Dawes & Rowley 1998; Galbreath & Rogers 1999; Rowley 1998a; Rowley 1998b). This growth of customer contact points provides opportunities for a business to practice proactive customer responsiveness (Potter-Brotman 1994). That is, an organisation can use these customer contact points to communicate their understanding of, and ability to meet, individual customer needs – in other words provide customised customer contact service.

The core of customised customer contact service may be information collected, maintained and retrieved through a marketing database. Indeed, the customer database has been seen as a requirement for the future of a successful organisation (for example, Colgate & Danaher 2000; Dawes & Worthington 1996; Palmer, McMahon-Beattie & Beggs 2000; Peppers & Rogers 1999; Schoenbachler et al. 1997). Database marketing has grown from a narrow tool used for specialist direct mail and direct marketing campaigns through to a widely used tool that has company wide implications for managing relationships with customers. Overall, database marketing continues to provide value to an organisation (Dawes & Worthington 1996). However, the positive and negative outcomes of this growth in database marketing are becoming evident in broad organisational factors such as culture, systems and structure (Daugherty, Ellinger & Rogers 1995; Grant 2000; Moorman & Rust 1999). Accordingly, this research is required to better understand these issues.
1.2 Research problem and research issues

The combination of customer service strategy with information technology such as database marketing is a new strategic weapon for business (Domegan 1996; Parasuraman 2000). Further research into how and why this strategic weapon can be facilitated is required. Thus this research addresses the research problem:

RP: How and why can customer contact services use information from database marketing to provide customised customer service?

This research considers the integration of two parent theories (Perry 2002), customer service and database marketing. That is, marketing databases can provide the information required for customised customer contact service. For example, database marketing provides opportunity for competitive advantage (Dawes & Worthington 1996); has been driven by recognition that organisations need to maintain and develop customer relationships (Dawes & Worthington 1996); and has information that is able to be customised as its central component (Schneider & Bowen 1999).

The synthesis of the literature in Chapter 2 uncovers issues about the integration of these two parent theories. Firstly, customer contact personnel influence customer contact service quality (Hartline, Maxham III & Mckee 2000) and that repeated customer contact interactions by individual customers may not necessarily be with the same customer contact personnel (Gutek et al. 1999). Moreover, customer contact personnel are not the only customer contact points within an organisation (Kotler 2000, Rowley 1998b, Rowley 1998a). Secondly, organisations need to learn more about customers and incorporate this knowledge into individual customer interactions (Dawes & Rowley 1998). However, access to real time information gathered at the various customer contact points is a key issue in this learning (Potter-Brotman 1994). Finally, there are various barriers that hinder this access to real time information including empowerment of customer contact personnel (Hartline, Maxham & McKee 2000); resource issues (Chase 1978); corporate culture (Palmer, McMahon-Beattie & Beggs 2000); inter-functional impediments (Potter-Brotman 1994; Webster 1992); and organizational systems (Palmer, McMahon-Beattie & Beggs 2000).
A theoretical framework is developed to better understand the issues relevant to how and why can customer contact services use information from database marketing to provide customised customer service as shown in Figure 1.1. The theoretical framework is the focus for data collection and analysis in stage two of this research. It is developed out of the review of literature (Chapter 2), and refined throughout the convergent interviewing process with industry specialists (Chapter 3). The framework consists of six stages. That is, inputs (box A and B) into a database (box C) and other information flow to standardised (box B) and individual communication points (box D) that produce strategic outputs of customised customer contact service (box E). The information gained through the customised customer contact service is then fed back (box F) to the marketing database as another input source. Connecting each of these boxes, or stages, are linkages that relate to six research issues.

Figure 1.1  **Initial theoretical framework to aid data collection for determining how and why can customer contact services use information from database marketing to provide customised customer service**

Six research issues about this theoretical framework to guide data collection and analysis are developed in Section 2.7.2:

**RI 1**  What information relevant to customer contact service is utilised for database marketing and how?
RI 2  How is information utilised in the provision of standardised customer service and why?
RI 3  What information from customer service transactions and/or interactions can be integrated into the database, and why?
RI 4  What is driving the opportunity for customised service and why?
RI 5  How can individualised communication be incorporated into the total customer contact service?
RI 6  How and why can feedback be incorporated into integrated database marketing

1.3  Justifications for the research

This research can be justified on four grounds: research gap, need for competitive advantage, growing interest in managing relationships and potential usefulness to industry. Firstly, while research has been conducted on both customer service and database marketing there has been little research tying together database marketing and customer contact service (for example, Domegan 1996, Daugherty, Ellinger & Rogers 1995; Rich 2000). More particularly, research has been conducted on related areas such as technology and customer relationships (Peters 1997); customer relationship management (Buttle 2000a); use of information in organisations (Menon & Varadarajan 1992), customer needs and relationships (Schneider & Bowen 1999) and service operations improvement (Tseng, Qinhai & Su 1999). Progression is required from that research to managing customer contact service.

The next justification is the need to identify sustainable competitive advantage opportunities. That a company can create relationships with customers is a new opportunity for competitive advantage (James 2000). Information systems in the form of marketing databases can facilitate this receptivity through various customer contact points. Customer contact service needs are different for each individual customer and therefore provide an organisation with opportunities to practice proactive customer responsiveness (Potter-Brotman 1994) as an avenue for sustainable competitive advantage.

Thirdly, there is the growing interest in maintaining customer relationships. Managing customer contacts has foundations in customer relationship management (CRM). CRM is
being recognized as a valuable strategy by researchers (for example, Buttle 2000a). In its early form, database marketing was transaction focused and used as a basis for direct mail and direct marketing. Database marketing has developed further with relationship marketing where an organisation aims to achieve an ongoing connection with a customer through a series of customer-focused transactions. CRM is an extension of relationship marketing, or database marketing, involving relationship appropriate culture, systems, technology, and structure (Buttle 2000b; Colgate & Stewart 1998) to deliver customised offerings. This research extends that recognition to managing multiple customer contact service points. That is, the concept of CRM is built on in this research to acknowledge that customer relationships are impacted by many different contact points.

The final justification is the potential usefulness of the research. The service industry is increasing in size with the growth worldwide of the service economy (Lovelock, Patterson & Walker 2001). This growth has been reflected in teaching and research activity (Verma 2000). This research should benefit managers of those organisations who are seeking ways to improve customer service and hence customer satisfaction. Moreover, the research will provide insights and new frameworks for the academic discipline of marketing. Customer service is one element of the bundle of goods and services a consumer purchases or experiences (Bebko 2000) and can be manipulated by a company in delivering the customer experience. Indeed, poor customer service can be a reason for a customer to feel dissatisfied and switch suppliers (Julian & Ramaseshan 1994). Furthermore, opportunity exists for companies to provide customised customer contact service, and therefore improved customer service, through the integration of these various customer contact points.

1.4 Introduction to the methodology

This research followed a two-stage qualitative research approach described in detail in Chapters 3 and 4. Qualitative methodologies were used because they gathered in-depth information from respondents that were not available through quantitative methods (Section 3.3) (Burns, Williams & Maxham 2000). Furthermore qualitative research follows a flexible approach that allows the discovery of rich information that can provide the opportunity for new insights on issues (Gilmore & Carson 1996a) and is particularly
relevant for research on previously under explored areas like this (Dick 1990). These two stages of research are introduced next.

**Stage one: convergent interviewing.** The first, convergent interviewing methodology involved conducting nine in-depth interviews, in which data from each interview was analysed and used to refine the content of subsequent interviews (Carson et al. 2001; Dick 1990). That is, in the early convergent interviews, the interviewer developed some interpretation of the data which was then used to refine and focus the content of subsequent interviews. Convergence was achieved when no new information was uncovered.

The nine respondents were selected according to their interest and expertise in CCM. All respondents were consultants to industry and so they had knowledge across many industries and firms - they were likely to be more advanced in their understanding of, and exposure to, an emerging field like CCM. The required stabilization that marks the finishing point of the convergent interviewing process (Nair & Riege 1995) occurred at the fifth interview. The convergent interview data was content analysed and used to fine-tune the preliminary theoretical framework developed from the literature.

**Stage two: case research.** In turn, stage two research involved case research because this method is appropriate for investigations that are pre-paradigmatic in nature and so require theory development (Borch & Arthur 1995). Measures of validity and reliability were addressed through multiple sources of data (Lincoln & Guba 1985) and the use of an interviewer's guide (Carson et al. 2001). Cases were selected using replication logic to cover a range of different industries and experiences with CCM, that is, healthcare, hospitality, government and financial institutions (Firestone, 1993; Yin, 1994). That is, purposive sampling was used instead of random sampling (Devers & Frankel 2000; Neumann, 1994) because the goal of this research is theory building or analytical generalisation rather than theory testing or statistical generalisation. In total, nine cases were studied, which falls within the recommended range for qualitative research of between a minimum of 4 (Eisenhardt, 1989; Perry, 1998a) and the maximum of 15 (Miles & Huberman, 1984; Perry, 1998a). Multiple interviews took place for each case, totalling 34 face-to-face, in-depth interviews. To provide triangulation, interviewees were drawn from different areas of the organisation including senior management, customer contact
personnel and departments such as marketing and information technology. The total number of interviews in this research project was 43, within the range of 40 to 60 that is typical of a major qualitative research project (de Ruyter & Scholl 1998).

1.5 Definitions used in this report

To further help with the context of this research, key terms need to be clarified. This section develops those definitions, in the order in which they are introduced in Chapter 2. A definition of customer service for this research is developed in Section 2.1.2. Essentially customer service for this research refers to the service interactions between a company and its customers (Parasuraman 1998) whenever they occur in relation to a transaction. Customer service consists of intangible activities (Kotler et al. 1998) whose flexible performance may carry quality inconsistencies (Julian & Ramaseshan 1994) that impact on customer satisfaction (Innis & La Londe 1994). In more detail, customer service in this research refers to activities involved in making it easy for customers to receive quick and satisfactory service and resolutions to their needs (Kotler 2000).

In turn, customer contact service (CCS) is a subset of customer service and its definition is developed in Section 2.1.3. The word ‘contact’ refers to the condition in which two or more individuals or groups are placed in communication with one another (MacquarieNet 2000). The term ‘customer contact’ was first mooted by Chase (1978) referring to the physical presence of the customer within the service delivery system. However, the above explanation of physical customer contact does not meet the objectives of this research because it is limited to contact that occurs during the actual service delivery or transaction. Contact also involves communication that can occur away from the site of the transaction. For example, a marketer may ‘communicate’ with the customer after or before the transaction by telephone and other electronic means. Therefore this research explores customer contact that includes most personal forms of communication that can occur between the customer and an organization. These customer contact activities impact on the delivered level of customer service.

Customer contact points (CCP) refer to those personal forms of communication channels customers use to interact with a business and are detailed in Section 2.3.1. These personal forms of communication are communication channels and activities which a marketer may
have control over that allow for personal addressing and feedback (Kotler et al. 1998) in a real time manner. These personal communication channels may include telephone, internet, email, other automated systems and face-to-face contact with personnel. In this research these personal communication channels and activities are referred to as ‘customer contact points’.

Database marketing (DBM) refers to the utilisation of information technology to address customer satisfaction and increase customer loyalty in a profitable manner (Colgate & Alexander 1998). Whilst, there are many definitions of database marketing this research offers a new one reflecting the developments found in the review of literature relevant to customer contact management including its progress with information technology (Evans 1998; Webster 1992), customer focus (Colgate & Alexander 1998), relational ability (Reedy, Schullo & Zimmerman 2000), real time access to data (Dawes & Worthington 1996) and implications for the organisation as a whole (Domegan 1996). That is, a new definition for database marketing is developed for this research in Section 2.5 and involve information technology in an organisation wide process of, gathering and storing, relational data about individual past, current and/or potential customers, maintaining the integrity of such data by continually monitoring customer behaviours and needs, accessing this information in real time situations, using the information to formulate marketing strategy, and foster personalised contact and relationships with customers.

The way in which a business manages the delivery of individualised service by integrating previous interactions at each of the customer contact points is referred to as customer contact management (CCM) and is discussed in detail in Section 2.7.1. For the purposes of this research customer contact management is viewed from the perspective of the organisation. That is, the issues and views of the organisation are paramount to the scope of this research rather than a customer perspective.

1.6 Delimitations of scope for this research

This research is confined to the topic of how and why can customer contact services use information from database marketing to provide customised customer service. That is, it looks at what organisations do, particularly service organisations in Australia at the turn of the 20th century. This research is set within the Australian context because Australia has a
business culture, geographical spread and IT development that is different from the settings of other research in the UK, US and New Zealand (for example, Colgate & Danaher 2000; Palmer, McMahon-Beattie & Beggs 2000; Peppers & Rogers 1999). The organisations participating in this research are taken from four service industries, hospitality, health-care, finance and government. The reasons for using these four service industries are justified on the basis that service industries are competitive in nature, the concepts of contact and profit is valid to each of the service industries selected and finally both the literature and consultants from stage one of the research nominated these four industries as relevant to this research (Sections 2.5, 3.6 and 4.5.3). Further discussion of limitations and methods to address them in this research are found in Sections 3.3 and 4.9.

1.7 Outline of the thesis

This thesis consists of six chapters. Chapter 1 has discussed the research in the context of the two parent theories as well as providing grounding for the justification of the research. The research problem was introduced along with an overview of the six research issues. An outline of the two-stage methodology was examined followed by key terms and delimitations.

Then, Chapter 2 reviews the literature of the two parent theories, customer service (Section 2.2) and database marketing (Section 2.5). Foundations of the new theoretical framework are then detailed culminating in the development of the framework and six research issues.

In turn, Chapter 3 provides justification and description of the convergent interviewing methodology used in the stage one research (Section 3.2). Issues regarding validity and reliability are addressed along with the examination of the role of prior theory (Section 3.3 and 3.4). Details of the data collection process (Section 3.5) used with the convergent interviews are provided followed by a summary and analysis of that data (Sections 3.6 and 3.7).

Chapter 4 details stage two of the research, using case research. Firstly, explanation and exploration of the realism paradigm is given (Section 4.2) following by prior theory, research design and details of the selection of the multiple cases (Sections 4.3, 4.4 and 4.5). The data collection technique is then discussed (Section 4.6) followed by the data
analysis technique (Section 4.7). Finally, Chapter 4 looks at the ethical considerations and limitations of the stage two research (Sections 4.8 and 4.9).

Next, Chapter 5 presents the data analysis for the stage two research. Firstly, each case and the interviewees are described (Section 5.2). Then the data analysis techniques are explained followed by a discussion of each research issue in the context of the data (Section 5.3). An overview of the conclusions from the data analysis are reported (Section 5.4).

The final chapter, Chapter 6, conveys the four main conclusions of the research and a discussion on how they relate to the six research issues (Section 6.2). Next, conclusions about the research problem are identified and represented in a new theoretical framework for CCM (Section 6.3). Comparisons of the conclusions to the literature are provided followed by a discussion of the implications for theory and practice (Sections 6.4 and 6.5). Finally, limitations are discussed and avenues for further research identified (Sections 6.6 and 6.7).

This thesis follows the style and referencing of the Style Manual for Authors and Printers (1998) as summarised in Perry (2002). Spelling follows that provided by Microsoft Word’s Tools/Options/Spelling/English (Australian).

1.8 Conclusion

This chapter has established the grounding for this research. Firstly, the background of the research was briefly investigated followed by a discussion justifying the research. Next, the research problem was explained along with a brief examination of the theoretical framework and subsequent research issues. An outline of the two-stage methodology was provided followed by key terms and delimitations. An outline of the remainder of the thesis was then given. The next stage of this research, Chapter 2, provides a review of the literature.
Chapter 2  Literature review

2.1  Introduction

Chapter 1 provided the rationale for this research and specified the research problem of ‘How and why can customer contact services use information from database marketing to provide customised customer service?’ A brief overview of the methodology used in this research was also given along with definitions of key terms. This next chapter has six main sections and explores and integrates the parent theories of customer service and database marketing, as illustrated in Figure 2.1. To provide grounding the literature review goes from broad to specific issues. Finally, the outcome of this literature review presents a new theoretical framework that integrates the two parent theories in Section 2.6.

Figure 2.1  Outline of literature review, showing main sections and their inter-relationships

Definitions of key terms (2.2)

Customer service and marketing of services (2.3)
- Classification
- Marketing mix

Customer contact service (2.4)
- Customer contact points
- Information
- Issues
- Conclusions about the significance of customer service

Database marketing in business (2.5)
- Characteristics
- Developments
- Conclusions about the significance of database marketing

Development of the new theoretical framework (2.6)
- Foundations
- The new theoretical framework

Conclusions (2.7)

Source: developed for this research.
2.1.1 Definitions of key terms

**Customer service** is the foundation of this research and is widely used within marketing literature as well as the marketplace (for example, James 2000; Ward 1993). However, a standard definition of customer service is difficult to find (Innis & La Londe 1994). Traditionally, customer service referred to the issue of logistics within business markets (Christopher, Payne & Ballantyne 1993; Domegan 1996), for example, ‘customer service is a process for providing significant value-added benefits to the supply chain in a cost effective way’ (Innis & La londe 1994 p. 29). However, the scope of customer service has now evolved to include softer business attributes surrounding the issues of seller and customer interactions (Parasuraman 1998).

This difficulty of gaining a precise definition of customer service is related to concepts such as service quality and augmented product. **Service quality** refers to the perceived totality of delivery of superior service relative to what customers expect (Parasuraman, Zeithaml & Berry 1988). Similarly, an **augmented product** is the total bundle of benefits that a company offers its customers (Levitt 1980). That is benefits or elements are included in the augmented product in an effort to differentiate the product and delight the customer. Within this augmented product, customer service is commonly considered a part of the post-sales service (Kotler 2000). However, this view of customer service as a post-sales strategy is limiting (Christopher, Payne & Ballantyne 1993; Piccoli, Spalding & Ives 2001). That is, customer service can be described as one of the elements accompanying a core offering (Parasuraman 1998), whether the service occurs pre-, during or post-transaction. In short, the augmented product or the value proposition (Buttle 2000a) refers to the totality of what is offered and delivered to the customer, while service quality is the customer’s perception of the satisfaction of such an offering in relation to their expectations. Therefore both of these concepts possess elements of customer service. Thus, customer service has been extended from just being viewed as a department where customers can take their complaints (Karimi, Somers & Gupta 2001).

The ambiguity of what constitutes customer service is further confounded by the problem of customer service being just one element of the bundle of goods and services that a consumer purchases or experiences (Bebko 2000). Furthermore, customer service is an intangible element of such offering. This intangible nature means consumers find it
difficult to separate the elements of the product offering when it comes to evaluating their satisfaction (Bebko 2000). As well, marketers may experience this difficulty in separating out what elements of the product offering constitutes customer service - a further reason for the lack of a clear definition for customer service. To address this lack of clarity, this research will explicitly separate ‘customer service’ from its ‘quality’.

Firstly, customer service for this research refers to the service interactions between a company and its customers (Parasuraman 1998) whenever they occur in relation to the transaction. For example, interactions over the telephone, email, face-to-face, web and so on (Johnson 2001). It consists of intangible activities (Kotler et al. 1998) whose flexible performance may carry quality inconsistencies (Julian & Ramaseshan 1994) that impacts on customer satisfaction (Innis & La Londe 1994). In more detail, customer service in this research refers to activities ‘involved in making it easy for customers to reach the right parties within the company and receive quick and satisfactory service, answers, and resolutions of problems’ (Kotler 2000 p. 45). In turn, customer service quality refers to the difference between expectations and actual satisfaction with the customer service and is beyond the scope of this research. To restate, customer service refers to the overall ethos and actions culminating from processes, practices, strategies and service training. The point at which this customer service is delivered through customer contact points is customer contact service. Therefore, customer service is the umbrella concept and is greater than customer contact service (Section 2.4) and customer contact points (Section 2.4.1), as shown in Figure 2.2.

Figure 2.1  The relationship of customer service to customer contact service

Customer service: processes, practices, strategies, service training.

Customer contact service: the interaction that occurs when delivering customer service

Customer contact points: personal communication channels and activities involved in delivering customer contact service

Source: developed for this research.
Customer contact service is a subset of the customer service defined above. The inclusion of the word ‘customer’ orients the term to marketing communication in particular. That is, customer contact is an area relevant to the marketing discipline and is not just a broader operational issue. The term ‘contact’ refers to the condition in which two or more individuals or groups are placed in communication with one another (MacquarieNet 2000). The term ‘customer contact’ was first mooted by Chase (1978) and refers to the physical presence of the customer within the service delivery system. This presence may be in many forms ranging from direct to indirect contact, or face-to-face to web contact, respectively (Wemmerlov 1990). Indeed, there have been many terms to express customer contact activities including customer interaction, service encounters, participation, involvement and influence (Kellogg 2000). These alternate terms are relevant to understanding the concept of ‘customer contact’. For example, the study of service encounters is pertinent because it is grounded in the observation that customer service has evolved to encompass seller and customer interaction (Parasuraman 1998). However, this interaction during a service encounter may be with service personnel, physical equipment and other tangible items (Bitner et al. 1997; Johnson 2001). Therefore, customer contact can be defined as the interaction, involving people and/or equipment, between a company and its customer.

This focus on two way interaction is a point of differentiation from one way interaction because the concept of customer contact objects has been established (Tseng, Qinhai & Su 1999): these objects are a part of the customer contact experience investigated in this research. Customer contact objects suggest that contact takes place when a customer accesses any objects that are perceived as an identifiable entity during interaction with the service operation. These entities may be in the form of service facilities, employees, operational units and so on. Only those objects that have the potential for two way interaction, such as the telephone, ATMs and email, are relevant to this research because these interactions allow for the delivery of customised customer service. However, those objects with limited potential for two way interaction such as advertising have less application for customised customer service and are beyond the scope of this research.

Nonetheless, the above definition of customer contact is not comprehensive enough for this research where contact can occur outside of the actual service delivery or transaction.
That is, contact involves communication and this communication can occur away from the site of the transaction. For example, a marketer may communicate with the customer after or before this transaction (Gilmore 1997). Therefore this research’s definition of customer contact includes, those other personal forms of communication between the customer and an organisation. These personal forms of communication are channels and activities which a marketer may have control over that allow for personal addressing and feedback (Kotler et al. 1998). These personal communication channels may include telephone, internet, email, other automated systems and face-to-face contact with personnel (Johnson 2001). For example, it could range from two way face-to-face interaction through to a one directional television advertising campaign.

In this research, customer contact service refers primarily to only two way interaction between a company and its customer for that interaction is a cornerstone of customer relations with a business. In this research these personal communication channels are referred to as ‘customer contact points’ and the activities performed at these contact points are customer contact service. Thus, broadening our focus from customer contact points back to customer contact service, this research defines customer contact service as the part of customer service that is related particularly to the customer contact points defined above. The stage at which customer service is delivered is referred to as customer contact service.

**Customer contact points** are a subset of customer contact service which in turn is part of the larger concept of customer service as was shown Figure 2.2. Customer contact points are discussed in Section 2.4.1.

In brief, this section has introduced the concepts of, and links between, customer service, customer contact service and customer contact points. These concepts provide the context in which the literature is reviewed throughout the remainder of this chapter.

**2.2 Parent theory one: customer service and the marketing of services**

Before customer service and customer contact service can be further examined, it is necessary to step back and explore the characteristics and classification of services marketing. The discipline of services marketing is relevant to the study of customer service
because many of the characteristics and subsequent marketing issues are shared (Fisk, Brown & Bitner 1993). Services’ marketing is a major antecedent to the concept of customer service in that customer service is an innate part of the services marketing mix. That is, customer service is one of the more distinguishable parts in the delivery of services (Parasuraman 2000). Indeed, interest in services marketing, and thus customer service, has grown steadily since the role of services in the economy has grown. This growth has been stimulated in part by the development of economies and as the differences between goods and service has become more apparent (Fisk, Brown & Bitner 1993). However, service marketers realise that in many cases most services share some of the same elements of goods and many goods have a service element (Rust 1998).

This customer service relationship between goods and services is of relevance to both the marketing of goods in that customer service transcends the realm of pure services. More specifically, pure goods can use their marketing mix to deliver intangible customer service components to their customers (Berry, Seiders & Grewal 2002). For example, a service is:

the production of an essentially intangible benefit, either in its own right or as a significant element of a tangible product, which through some form of exchange satisfies an identified consumer need (Palmer 1994, p. 3).

2.2.1 General classification of services

The diverse nature of services makes it difficult to generalise insights and managerial implications (Verma 2000). Several researchers have attempted to classify services to better understand them (for example, Chase 1978; Lovelock 1983, Silvestro et al. 1992; Verma 2000). These classifications have been based on factors such as degree of contact with customers (Chase 1978), tangibility versus intangibility of service actions (Lovelock 1983), volume of service provision (Silvestro et al. 1992), service processes (Wemmerlov 1990), an organisation’s purpose such as profit objectives (Kotler 2000) and ability to customise the service provided (Schmenner 1986). These many different service classifications may be useful if they offer strategic insights (Lovelock 1983). Accordingly, those service classifications that revolve around the issue of customer contact and customisation of service are relevant to this research, that is, profit objectives and the degree of contact (Chase 1978; Lovelock 1983; Schmenner 1986; Silvestro et al. 1992;
Wemerlov 1990;). These aspects are reviewed in the context of this research in detail in Sections 2.3.2 to 2.4.4.

With maturation of service research, interest has added to these service classifications to provide more in-depth exploration of service concepts (Verma 2000). One of these research themes relates to the issue of *service delivery*. Service delivery takes the perspective of the consumer of the service and is relevant to this research because it encompasses the concept of customer contact management. However, the notion of service delivery, and subsequently customer contact management, may be problematic because of four special characteristics of services (Gilmore 1997).

It is argued that services are different from goods in four main ways (Gronroos 1990). These characteristics are identified below and for the purposes of this research have been related to the delivery of customer service in particular. One of the most apparent differences between goods and services is their *intangibility* (Gilmore & Carson 1996a). Services are performances and as such are typically intangible in that they cannot be communicated to consumers in a concrete manner (Shostack 1977). This intangibility makes it difficult for consumers to assess the quality and subsequent satisfaction of a service prior to consumption. More so, this intangibility means consumers assess cues that are sent by the marketer in an effort to judge quality and appropriateness of the service (Gilmore 1997). These cues are generated from different elements of the marketing mix (Lovelock, Patterson & Walker 1998). Cues are sent and received during interactions at customer contact points and accordingly have particular relevance to this research. For example, these cues may be in the form of time taken to respond to customer need, knowledge of product, knowledge of customer and customisation to needs.

Unlike goods, services are produced and consumed simultaneously. This *inseparability* of production and consumption means that the service provider is, in many cases, part of the delivered product and subsequent service experience (Chase 1978). Customers evaluate their service experience by what happens during the interaction process (Zeithaml & Bitner 1996) at the various customer contact points. For example, did the staff member know the customer’s name and preferences. Thus, this issue of inseparability is important to this research particularly in terms of its impact on services delivery and subsequent
customer satisfaction (Heim & Sinha 2001).

This simultaneous production and consumption of service means services are *perishable* and therefore cannot be stored (Lovelock, Patterson & Walker 2001). If a customer is dissatisfied with the service experience then the experience cannot usually be undone. This property has important implications for customer contact service because it may provide a relevant conduit for suitable recovery strategies. For example, the provision of customised customer service means that a solution to a customer need can be provided at the time of interaction. Furthermore, the issue of perishability has implications for matching customer contact demand with capacity of supply (Zeithaml & Bitner 1996). High demand periods may mean that staff are hurried in their service delivery and therefore may deliver inferior customer service. Moreover, part-time personnel are often employed to bridge the busy period in an attempt to deliver less hurried service delivery. However, introducing part-time personnel may bring problems of variable service delivery levels.

This variability means that services are considered *heterogeneous* because they can vary in quality from encounter to encounter as the result of human interaction (Gilmore 2001). In particular, customer contact service is heterogeneous because individual customers are different, and so are customer contact personnel. Thus customer contact personnel have an important role in customer perceptions and experiences of service delivery (for example, Gilmore 1997; Julian & Ramaseshan 1994; Kellogg 2000). In addition, there is evidence that customisation lessens the degree of heterogeneity and improves a customers experience of an organisations offerings (Heim & Sinha 2001). Conversely, other researchers note that in the past standardisation of customer service was the preferred method to address the problem of heterogeneity (Dick, Gallimore & Brown 2002).

Nevertheless, the tendency for heterogeneity, or variability, makes is difficult to provide consistent service quality (Palmer, Beggs & Keown-McMullan 2000). Indeed, it is difficult for management to know if the service being delivered is what was intended, or promised (Gilmore 1997; Zeithaml & Bitner 1996). Consequently, customers have different expectations and experiences of service and therefore require customised interaction with their company (Palmer, McMahon-Beattie & Beggs 2000). These differing service requirements put the production line approach to customer service encounters into question.
(Dick, Gallimore & Brown 2002; Gilmore 2001; Gilmore & Carson 1996b) thus adding weight to the area of this research.

In brief, the general properties of services are especially relevant in customer contact services because a context is provided in the provision of customised service. To provide further context to the research problem the literature about how these special characteristics of services are managed by service marketers is discussed next.

### 2.2.2 Customer service and the services marketing mix

To accommodate these differences between goods and services a modified marketing mix has been suggested (Booms & Bitner 1981; Christopher, Payne & Ballantyne 1993). This marketing mix was expanded from the traditional 4Ps of product, price, place and promotion to 7Ps that include ‘process’, ‘people’ and ‘physical evidence’ (Booms & Bitner 1981; Christopher, Payne & Ballantyne 1993). These seven elements of the marketing mix can be used by an organisation to develop offerings to satisfy customers (Zeithaml & Bitner 1996). However, these differences between the marketing mix for services and the marketing mix for goods is used in this research merely as a framework to examine the context of customer service, it is not meant as a categorical classification device (Scanlon 2002). Indeed, all these marketing mix variables have relevance to customer service provision in particular and are now discussed in detail.

For example, price is an indicator of expected quality and to this end it may be safe to assume that the higher the price the higher the expectation might be for customised customer service. In addition, price in services situations can be ‘non monetary’ as it can refer to the cost of convenience in terms of the time and energy a customer trades to buy a service (Berry, Seiders & Grewal 2002, p. 2). Promotion helps communicate resolutions to customer problems which shows customers how a service can be customised to their needs. For example, one service company in their television advertising assures customers that they will be treated as a member and not as a number. Moreover, the place where a product is delivered has to be a customer contact service strategy in itself because it is a tool in the management of customers (Mersha 1990). In addition, the place component of the marketing mix is expanding because the way services are delivered are changing with the advent of technology based contact points such as the internet (Bitner, Brown &
Meuter 2000). Complementary to customer service strategy is the marketing mix variable of ‘product’, also considered to be the outcome of staff performance in true service situations (Berry 1981). Indeed, the term product has been expanded to include the intangible value added components such as customer service because it is difficult to create competitive advantage on product features alone (Lele 1986). This provision of customer service as a value adding tool is generally referred to as the augmented product.

Three more Ps are used for services. Physical evidence cues may include many forms such as signage, brochures or equipment at or near the contact situation. In accordance with positioning theory, if consumers perceive these cues to be of high quality then they are likely to expect high quality service (Blankson & Kalafatis 1999). For example, signage indicating customised service will increase customer expectations towards customer service. Next, processes used to serve customers have great impact on customer perceptions and experiences of the service and are of particular concern to providers of high contact services (Palmer 1994) and those services that are highly intangible (Gilmore 2001). In essence, high contact services are those that require the physical presence of people in the delivery of a service, for example healthcare. In contrast, low contact services can be performed at arms length, as in the case of many financial services. The role of technology as part of the service process is important for all levels of customer contact service but has been under researched academically (Parasumaman 2000).

Finally, people are an important element especially in the field of high contact services (Palmer 1994). In terms of the marketing mix, ‘people’, usually refers to any human who may take a part in service delivery (Zeithaml & Bitner 1996) – that is, service personnel, the actual customer or other customers. More specifically, the pattern of interaction (Palmer 1994) between the customer and the organisation is of relevance to the current research. These patterns and outcomes of interaction are a function of many human elements such as staff appearance, attitudes and behaviour (Zeithaml & Bitner 1996).

Accordingly, the 7Ps marketing mix can influence the perceptions and experience of customer service and offer companies an opportunity for competitive advantage (Buttle 2000a; Buttle 2000b). Indeed, with increasing attention to relationship marketing (Bejou, Ennew & Palmer 1998; Colgate & Danaher 2000), the concept of ‘customer service’ has been added as a central role that binds together the services marketing mix (Gilmore,
Carson, O’Donnell & Cummins 1999) – it could be the eighth marketing mix element (Christopher, Payne & Ballantyne 1993). Furthermore, customer service is increasingly being recognised as a major part of perceived value (White & Pearson 2001) and when coupled with information technology can be used to improve service provision (Parasuraman 2000; Piccoli, Spalding & Ives 2001).

In brief, the marketing mix for services can be adapted to encompass customer service needs, particularly service at the various contact points. This customer contact service is discussed next.

2.3 Customer contact service

The above discussion about the services marketing mix suggests that systems, activities and people are important elements of customer service. How well the organisation manages these elements influences customer service quality, and more specifically, influences customer contact service (Parasuraman 2000). Thus management issues relevant to customer contact service need to be explored.

One of these management issues concerns customer contact personnel. Customer contact personnel influence customer contact service quality (Hartline, Maxham III & McKee 2000; Sergeant & Frenkel 2000). Compounding this influence is that customer contact personnel are often inseparable from the product or service offered (Chandon, Leo & Philippe 1997; Parasuraman 1998). Indeed, customer contact personnel are often the only representation of the service firm that is visible to the customer (Hartline, Maxham III & McKee 2000). That is, the product or service offered is performed and delivered by the service provider – the customer contact personnel. The intangible nature of service offerings means that a customer service encounter is inextricably linked to the people that provide that service.

This ‘people link’ of service encounters does not exclude other elements of the marketing mix, but is by its nature, an integral part of the encounter (Gronroos 1994). Accordingly, this interaction is relevant for both low or high contact services, as illustrated in Figure 2.3. For example, high contact occurs in the encounter when a customer has direct interaction with the service provider, for example, the interaction between doctor and patient. Whilst
low contact service occurs where the customer may not have any physical interaction with contact personnel - as with telephone banking.

Indeed, this level of contact in contact services is related to the customer contact measurement model proposed by Kellogg (2000). This model identifies three bases to customer contact theory: coupling, interdependence and information richness. Coupling refers to the potential for impact by people during an interaction and tight coupling is evident in high contact services, for example as in the provision of a restaurant meal in a hotel dining room. Interdependence refers to the requirement for people to have input into the interaction with high levels of interdependence correlating with high contact services, as with the requirement of a nurse during a patient’s convalescence. Information richness describes the content of the interaction with high information richness being prevalent in high contact services as in the case of a patient receiving a diagnosis from a surgeon. Thus, tight coupling with high levels of interdependence and rich information exchange equates with high contact services, whilst loose coupling with low levels of interdependence and less rich information exchange is evident in low contact services.

This customer contact theory illustrates the complexity of customer contact and its subsequent management. Moreover, this interaction with the customer may not necessarily be with the same customer contact personnel for each repeated encounter. Indeed, an objective for most companies is to gain repeat business or encounters with the aim of developing on-going customer relationships. However, a company may equate these repeat encounters with relationship marketing when all they may be doing is building pseudo relationships (Gutek et al. 1999). Pseudo-relationships occur when a customer patronises a
company on repeated occasions but interacts with different customer contact personnel, as they would in single encounters. This may be less satisfying to customers than true service relationships (Gutek et al. 1999) because customers are not receiving quality continuity of service or communication with their interactions. Indeed, the advent of self service technologies has resulted in many organisations and their customers experiencing pseudo relationships which, in terms of customer service satisfaction, requires further research (Johnson 2001).

In contrast, service relationships may occur when a customer has repeated contact with the same customer contact personnel (Gutek et al. 1999). Attempts at service relationships can be seen in the marketplace where specific customer service personnel are allocated sole responsibility and contact with individual customers (for example in travel agents and personal bankers – for example Colgate & Stewart 1998). However, it is not always practical to have the same customer contact person serving the same customer during each and every encounter. Hence barriers to achieving true service relationships with customers may arise from having different contact personnel because the information necessary to provide the service may not be transferred between the different personnel.

2.3.1 Customer contact points

In addition to the customer contact personnel described above, potentially interactive customer contact points include mail, telephone, email (Barnes 2001; Kotler 2000, Rowley 1998b;), as well as websites (Rowley 1998a), multimedia kiosks (Dawes & Rowley 1998) and other automated systems such as automatic teller machines (ATMs) and voicemail. Other descriptors used to refer to customer contact points include customer interaction centres and customer touch points (Galbreath & Rogers 1999). These customer contact points provide an organisation with the opportunity to practice proactive customer responsiveness and raise the standard of service and satisfaction (Barnes 2001; Potter-Brotman 1994). That is, an organisation can use these customer contact points to communicate their understanding, and ability to meet, individual customer needs – in other words, provide customised customer service. However, how customer contacts are managed is becoming an increasingly important issue (Gilmore & Moreland 2000).
These contact points are referred to as personal forms of communication because they allow for personal addressing and feedback (Kotler 2000) and require the active involvement of at least two parties (Rowley 1998b). Moreover, avenues to receive customer information and deliver service products are also referred to as ‘communication media’ (Wathen & Anderson 1995). Indeed, contact points such as the multi-media kiosk (Dawes & Rowley 1998) and websites provide organisations with an opportunity for communicating with customers on an individual basis in a reliable and quick manner. Conversely, communication media such as mail and other data delivery methods, may provide feedback and personalisation but the presentation of the message is impersonal (Wathen & Anderson 1995). Nonetheless, any of these personal communication channels, or customer contact points, can be utilised to provide customised communication that is intended to provide customer service (Spencer-Matthews 2002). In essence, all contact points involve or result in some kind of customer interface and therefore the management of these interactions are of interest to researchers and industry (Dick, Gallimore & Brown 2002).

Furthermore, the method by which these contact points deliver and promise customer service is of interest. For example, the content of an advertisement has an important communication role (Rowley 1998b). That is, for many service firms, advertising can provide cues to the consumer (Gilmore 1997). These cues create customer expectations. Advertisements that are most effective in increasing customer purchase intentions are those that reduce perceived risk by eliciting feelings of assurance and reliability (Clow, Tripp & Kenny 1996). Assurance refers to the knowledge a company has demonstrated of the customer, leading to feelings of trust and confidence on behalf of the customer (Sharma & Patterson 1999). These feelings have the opportunity to be reinforced during the actual service encounter. In short, effective communication from any contact point is crucial in engendering trust and impressions of service quality (Bejou, Ennew & Palmer 1998; Klemz 1999), regardless of whether this communication and interaction occurs pre-, during, or post- transaction (Gilmore 1997). In addition, customers expect easy and responsive customer service regardless of the contact point (Bitner 2001).
2.3.2 Role of information in customer contact service

In order for customer contact points to lever customer service organisations need to learn more about customers and incorporate this knowledge into future customer interactions (Dawes & Rowley 1998; Palmer 2000). In turn, customers may value this sharing of knowledge because it can lead to increased convenience, for example, some hotels use past information to customise repeat stays with the proactive provision of the guests favourite drink (Berry, Seiders & Grewal 2002). This learning may take place in many forms and at various customer contact points. For example, personal involvement, personal contact and customer input are considered to be prerequisites in the delivery of relevant service in the marketing of financial services (Julian & Ramaseshan 1994). This relevance is manifested by the delivery of customised solutions to customer needs by customer contact personnel.

Moreover, back office activities as well as front office personnel may provide a platform for learning about, and interacting with, customers (Schneider & Bowen 1999). Indeed, the divide between back office and front office activities is blurring with time (Dawes & Rowley 1998; Dick, Gallimore & Brown 2002). Nonetheless, customer interactions can be facilitated by both sales and non-sales personnel (Gilmore 1997; Julian & Ramaseshan 1994; Wiener & LaForge 1990). For example, listening posts refer to the many customer contact points that enable staff to hear about individual customer needs and then feed back this information to management (Bowen 1997). This phenomenon of listening posts on the surface appears straightforward. However, it is a complex issue when it is considered in light of the fact that a listening post can potentially be located outside of the subject organisation. For example, consider the various retail entities that perform various customer service functions for the customers of banks (Colgate & Alexander 1998) such as Australia Post or bank agents.

Indeed, information from various contact points can be used to help customise service delivery and thus satisfy customer needs (Spencer-Matthews & Rao 2003). For example, several indicators exist to ascertain the extent to which a hotel is able to customise its service offerings (Palmer, McMahon-Beattie & Beggs 2000), allowing guests to receive their favourite newspaper or special pillows. However, whilst these insights into
customisation of individual service encounters are of value, they do not explore how this information can be utilised in future service encounters with the customer.

That is, single encounters can offer opportunities for leverage in future customised interactions, as illustrated in Figure 2.4. For example, an hotel guest may ask for the services of a babysitter and the hotel could leverage this information on the guest’s subsequent visits by asking at time of booking if a babysitter is required. This leverage of information gained from previous service encounters provides a potential solution to the issues raised earlier in the gap between pseudo and service relationships. That is, information utilised from previous encounters may overcome the need for customers to always deal with the same customer contact personnel for customised customer service, it provides institutional memory (Potter-Brotman 1994).

Figure 2.4  **Leveraging customised information for future hotel service encounters**

<table>
<thead>
<tr>
<th>Current encounter: indicators of customising service</th>
<th>Future encounters: proactive customisation of service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Can I reserve a non-smoking room?</td>
<td>Allocate non smoking room</td>
</tr>
<tr>
<td>Can I reserve voltage adapter?</td>
<td>Provide a voltage adapter</td>
</tr>
<tr>
<td>Can I reserve an orthopaedic mattress?</td>
<td>Provide orthopaedic mattress</td>
</tr>
<tr>
<td>Can I reserve non-allergic pillows?</td>
<td>Provide non-allergic pillows</td>
</tr>
<tr>
<td>Can I reserve a regional newspaper</td>
<td>Deliver regional newspaper</td>
</tr>
<tr>
<td>Would it be possible to have clothes dry-cleaned?</td>
<td>Provide drycleaning bag</td>
</tr>
<tr>
<td>May I order in a pizza from an outside restaurant?</td>
<td>Supply telephone number/menu</td>
</tr>
<tr>
<td>Is there a range of TV channels?</td>
<td>Supply TV guide</td>
</tr>
<tr>
<td>Is there access to fax machine?</td>
<td>Offer fax service</td>
</tr>
<tr>
<td>Can I reserve registered baby sitter?</td>
<td>Enquire if babysitter required</td>
</tr>
</tbody>
</table>

Source: adapted for this research from Palmer, McMahon-Beattie and Beggs (2000).

An issue in offering such customised customer service is that some customers may not want a personalised relationship and in fact may find it an invasion of their privacy (Forcht & Thomas 1994). However, if information is seen as part of providing customised customer service through a variety of customer contact points and across many service encounters, then its implementation offers a choice to both the organisation and the customer. Indeed, some customers and organisations may choose to conduct business through standard, or preprogrammed interactions, whilst others may desire real time
customised feedback (Johnson 2001). Either way, there is increased evidence that contact points often lack sufficient access to information needed to answer many customer needs in a simple and time effective manner (Gilmore & Moreland 2000).

2.3.3 Other management issues in customer contact service

A related management issue to this information availability is the systems and structures that facilitate or inhibit the access and use of such information and communication (Gilmore 1997). In the hotel industry, customer oriented strategy is implemented more effectively if there is less reliance on formalisation (Hartline, Maxham III & McKee 2000). Formalisation is the degree to which rules and procedures dictate the ease of decision making. This decreased emphasis on formalisation results in empowerment for customer contact personnel delivering the ability to adapt quickly to customer needs (Hartline, Maxham III & McKee 2000). For example, an incorrectly placed incoming customer query being resolved by the person answering the phone rather than being rerouted to the correct department. However, empowerment is not possible unless several structural and procedural mechanisms are aligned to enable flexibility to meet customer needs (Aufreiter, George & Lempres 1996).

Furthermore, this ability to customise service delivery depends on the contact personnel possessing autonomy and speed in decision making (Peters 1997). This means that customised service delivery is resource intensive and so the level of customer contact can be in inverse proportion to the degree of cost efficient service delivery (Chase 1978). That is, high contact service is demanding of resources and management need to develop cost-effective methods that enable responsive contact personnel (Davis & Manrodt 1994). As a result of this costly nature of high contact service, many organisations have focussed on ways of providing standardised service that do not require customisation – one solution for all customers (Chase 1978). However, recent trends indicate organisations are now realising the value of providing customer service that meets the needs of individual customers (Parasuraman 1998), as noted above.

Thus, cross-departmental information systems are required to deliver the ability for real time decision making necessary in high contact services (Domegan 1996). Merely collecting information and involving different functional areas does not guarantee success
in satisfying customer service requirements. Customer service requires information to be disseminated and acted upon in a seamless manner which has connotations for the organisational systems and structure. In addition, a corporate culture that values the need to treat customers as individuals is a requirement for seamless service (Palmer, McMahon-Beattie & Beggs 2000).

Hence, while customer service decisions need to be made in the context of overall marketing strategy (Christopher, Payne & Ballantyne 1993), customer contact service and the subsequent customer relationship is not the responsibility of the marketing department alone (Benjou, Ennew & Palmer 1998; Gilmore & Carson 1996b; Palmer 1997). Indeed, satisfied customers are the result of numerous organisational activities that create a need to remove boundaries between functional areas (Buttle 2000b; Potter-Brotman 1994; Webster 1992). For example, companies can help facilitate customer satisfaction with customer service through appropriate human resource policies such as staff selection, training, appraisal and reward (Schneider & Bowen 1999). In addition, systems and personnel from operations can also influence company offerings and consumers’ perception of service can be improved through marketing and operations (Berry, Seiders & Grewal 2002). That is, management of services can be viewed as a combination of the three organisational functions of operations, marketing and human resources (Palmer 1994), providing potential for inter-functional sharing for customer service applications. This multi-functional view of customer service means all parts of the organisation may need to be expert about customers (Webster 1992; White & Pearson 2001) with this expertise then being evident at various customer contact points.

This issue of inter-functional cooperation can be applied to the concept of service encounters and service relationships referred to in Section 2.4. In particular, different functional areas have different levels of input into the service encounter within a customer contact service. For example, the extent of input into customer contact service during a service encounter for a customer taking an airplane trip with input coming at all stages of the service encounter and from various functional areas, as shown in Table 2.1. For instance, with the quality of the waiting conditions prior to boarding the flight the input from Marketing is high but low input from Human Resources. Conversely the quality of the loudspeaker announcements has low input from Marketing but high input from Human
Resources. This multi-functionality and differing degrees of input makes the management of customer contact service more complex.

### Table 2.1  
**Estimated input of functional areas to customer service**

<table>
<thead>
<tr>
<th></th>
<th>Operations</th>
<th>Marketing</th>
<th>Human Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pre Sales</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Initial telephone enquiry</td>
<td>H</td>
<td>H</td>
<td>H</td>
</tr>
<tr>
<td>• Making a reservation</td>
<td>H</td>
<td>L</td>
<td>H</td>
</tr>
<tr>
<td>• Issue of ticket</td>
<td>H</td>
<td>L</td>
<td>L</td>
</tr>
<tr>
<td><strong>Post-sales, pre-flight</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Check in of baggage</td>
<td>H</td>
<td>L</td>
<td>M</td>
</tr>
<tr>
<td>• Issue of boarding pass</td>
<td>H</td>
<td>M</td>
<td>L</td>
</tr>
<tr>
<td>• Advice on departure gate</td>
<td>H</td>
<td>L</td>
<td>L</td>
</tr>
<tr>
<td>• Quality of airport announcements</td>
<td>M</td>
<td>M</td>
<td>H</td>
</tr>
<tr>
<td>• Quality of waiting conditions</td>
<td>M</td>
<td>H</td>
<td>L</td>
</tr>
<tr>
<td><strong>Consumption of flight</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Welcome upon boarding</td>
<td>L</td>
<td>H</td>
<td>H</td>
</tr>
<tr>
<td>• Assistance in finding seat</td>
<td>L</td>
<td>M</td>
<td>M</td>
</tr>
<tr>
<td>• Assistance in stowing baggage</td>
<td>L</td>
<td>L</td>
<td>M</td>
</tr>
<tr>
<td>• Attentiveness of in-flight service</td>
<td>M</td>
<td>M</td>
<td>H</td>
</tr>
<tr>
<td>• Quality of announcements</td>
<td>M</td>
<td>L</td>
<td>H</td>
</tr>
<tr>
<td>• Transfer from aircraft to terminal</td>
<td>H</td>
<td>L</td>
<td>M</td>
</tr>
<tr>
<td><strong>Post-flight</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Baggage reclaim</td>
<td>H</td>
<td>L</td>
<td>M</td>
</tr>
<tr>
<td>• Information available at arrival airport</td>
<td>L</td>
<td>M</td>
<td>H</td>
</tr>
</tbody>
</table>

Note: H = high input; M = medium input; L = low input  
Source: developed for this research, incorporating Palmer (1994).

At the core of customer contact service is communication and accessibility of information between inter-functional areas and contact points. This inter-functional co-operation in delivering superior customer service is evident at the Marriott Hotel Singapore (Peters 1997). The Marriott customise service offerings to guests based on previous preferences and behaviour. This customer service initiative is facilitated by the accessibility of staff to customer preferences. For example, customer contact staff such as waiters and room service personnel carry with them hand held terminals enabling information access on hotel guests. Essentially the Marriott Hotel is providing easy access by staff to customer information and needs through systems, activities and people. Accessibility is an issue in service delivery and is relevant to many factors within a company including human resources and an organisations systems (Moorman & Rust 1999; Palmer 1994).

However, this accessibility by staff to relevant information needed for decisions on customer service delivery is easier for some organisations than others. In loyalty programmes in the hotel sector, the size of the organisation impacts on how close the
decision makers are to consumers: for example, it was found that small organisations (hotels in this case) are more likely to have information at hand about individual customers – the converse is true of larger organisations (Palmer, McMahon-Beattie and Beggs 2000).

Related to the concept of accessibility is the utilisation and presence of formal information systems with the size of the organisation correlating with an organisation’s use of customer information (for example, Daugherty, Ellinger & Rogers 1995; Palmer, McMahon-Beattie & Beggs 2000). Smaller hotels have more informal information systems and communication methods. Larger hotels may have more formal collection systems but not necessarily the flexibility to utilise the information effectively. Thus, in larger organisations, customer service interactions are potentially diluted and as a result are then less effective in delivering value. In these organisations, there can be difficulty in harnessing real time information on clientele. That is, having a structured information system is not that important compared with the ability to use such information to deliver customer value (Wathen & Anderson 1995).

2.3.4 Conclusions about the significance of customer contact service

Overall, customer service is a valuable strategic tool for an organisation (Domegan 1996; White & Pearson 2001) because service is a central part of customer interactions, but there is scope for improved customer service in delivering value and differentiation. Customer service can be delivered through various organisational customer contact points. However, because of the variable nature of customer service needs, information plays a pivotal role in delivering this customer service at each of the customer contact points. Yet there is little research that examines this important role and the management issues relating to information in the context of customer service. Moreover, developing meaningful interaction and relationships with customers is very important in a cluttered marketplace because it is an avenue for differentiation and competitive advantage (Christopher, Payne & Ballantyne 1993; Wray, Palmer & Bejou 1994). Indeed, customer service has grown from a reactive strategy to a proactive management task for future organisational success (Domegan 1996). Likewise, the combination of customer service strategy with information technology is a new strategic weapon for business (Colgate 1998; Domegan 1996).
2.4 Parent theory two: database marketing in business

After customer service, the second parent theory for this research is database marketing. Customer databases can create opportunities for competitive advantage (Dawes & Worthington 1996). Indeed, several industries are recognising that a sophisticated customer database is a prerequisite for organisational success (Colgate & Danaher 2000), including financial services (Dawes & Worthington 1996), hospitality (Palmer, McMahon-Beattie & Beggs 2000), air travel (Peppers & Rogers 1999) and vehicle manufacturers (Schoenbachler et al. 1997).

There have been many definitions of database marketing. Essentially, database marketing utilises information technology to address customer satisfaction and increase customer loyalty in a profitable manner (Colgate & Alexander 1998). Thus, a straightforward definition of database marketing refers to it as a collection of data which provides marketers with information enabling the making of better decisions (Schoenbachler et al. 1997). However, database marketing shares common elements with direct marketing, relationship marketing, loyalty marketing and interactive marketing (DeTienne & Thompson 1996; O’Malley & Tynan 2000). A more comprehensive definition of database marketing includes collecting and maintaining data as well as monitoring customer activity and using the data to foster personalised relationships:

```
Database marketing is the process of systematically collecting, in electronic or optical form, data about past, current and/or potential customers, maintaining the integrity of the data by continually monitoring customer purchases and/or by inquiring about changing status and using the data to formulate marketing strategy and foster personalized relationships with customers’. (DeTienne & Thompson 1996, p.12; emphasis added)
```

However, this definition lacks an emphasis on the relational processes of modern databases and their ability to provide real time up to date information on customers (Reedy, Schullo & Zimmerman 2000), and this modern development needs to be incorporated into this research’s definition. That is, modern customer databases enable increasingly large number of details on customers to be kept. As well, modern customer databases provide for innovative utilisation of that data and rapidity of decision-making through faster
information access (Dawes & Worthington 1996). This trend towards a customer focus as noted above requires a larger investment by organisations in information and information technology such as databases (Webster 1992; Yu 2001). Nevertheless, these information systems provide organisations with the opportunity to lower their marketing costs and enhance differentiation (Peters 1997) by having more targeted and personalised contact with their customer base.

In spite of this push towards investment in information systems, consumer needs may still not be sufficiently resolved (Zineldin 2000). This non-resolution of customer needs provides stimulus for the evolutionary progress of database marketing. Other reasons why database marketing has grown include the fragmentation of markets, increases in purchasing methods and contact avenues within an organisation, increased clutter in the market place, growth in the sophistication of technology, and the increasing availability of data (Evans 1998). This growth in database marketing information systems has seen information become a strategic necessity for business (Peters 1997; Palmer, McMahon-Beattie & Beggs 2000).

In brief, this research offers a new definition of database marketing that reflects all these developments in the field, including its progress with information technology (Evans 1998; Webster 1992), customer focus (Colgate & Alexander 1998), relational ability (Reedy, Schullo & Zimmerman 2000), real time access to data (Dawes & Worthington 1996; Reedy, Schullo & Zimmerman 2000) and implications for the organisation as a whole (Domegan 1996). That is, database marketing: uses information technology in an organisation wide process of, gathering and storing, relational data about individual past, current and/or potential customers, maintaining the integrity of such data by continually monitoring customer behaviours and needs, accessing this information in real time situations, using the information to formulate marketing strategy, and foster personalised contact and relationships with customers.

2.4.1 Characteristics and issues of database marketing

Database marketing has four distinct characteristics that differentiate it from traditional marketing methods. These characteristics are the ability to personalise, reliance on information, responsiveness and accountability as shown in Table 2.2. These database
marketing characteristics have relevance to customer contact management because they are able to be utilised as part of the delivery and administration of customised contact service. These characteristics are now explored.

Table 2.2 Characteristics of database marketing and example authors

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Author/s, Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ability to personalise contact</td>
<td>Webster 1992&lt;br&gt;Peppers &amp; Rogers 1997&lt;br&gt;Schneider &amp; Bowen 1999&lt;br&gt;Galbreath &amp; Rogers 1999</td>
</tr>
<tr>
<td>Responsiveness</td>
<td>Hochhauser 1992&lt;br&gt;Peters 1997</td>
</tr>
</tbody>
</table>

Source: developed for this research.

*Ability to personalise contact.* The database as a segmentation tool makes it possible to communicate with specific targets even down to ‘a segment of one’ (Peppers & Rogers 1997, p. 11). This ability to personalise is attractive because stereotyping customers in segments of two or more customers overlooks some aspects of a customer’s individuality (Schneider & Bowen 1999). With this increasing tendency to personalise contact with customers, databases are becoming larger and more complex (Heim & Sinha 2001). Moreover, this new ability to segment down to an individual customer is useful for identifying those customers who provide the best value and potential to an organisation (Galbreath & Rogers 1999). Indeed, mass impersonal communication is becoming increasingly ineffective (Webster 1992; Yu 2001). In brief, a marketing database can remove this stereotyping and reduce impersonal mass communication.
Reliance on information. This function of personalising communication with a consumer requires access to information. Information on customers can come from numerous internal and external sources. These information sources in many cases are customer contact points identified earlier (Section 2.3.1), for example, customer interaction centres, customer touch points (Galbreath & Rogers 1999), mailing lists, and response to mailings.

A company can utilise this information for analysis and input into marketing strategies. That is, this information can be used to identify those customers who need to be dropped, encouraged or rewarded. However, it is not just the information that is important to database marketing but how the database is used to remember customer details and needs. The database provides the facility to help the company remember the customer (Pitta 1998). This reliance on information helps the effectiveness of loyalty programmes through increased information intensity and customisation (Palmer, McMahon-Beattie & Beggs 2000).

Thus, a useful database must have accurate and current information. However, the iterative nature of the database means that some information on customers may become out of date and incorrect (DeTienne & Thompson 1996). Poor quality of information may result in ineffective and inefficient output from the database. Related to this issue of quality, is the quantity of information kept on the customer. Much of the information kept on a database can become superfluous with the increased ability for organisations to collect and keep data. This overabundance of data can result in an ineffective and inefficient database (Spencer-Matthews et al 1999).

An outcome of these quality and quantity issues is the concern for privacy by the consumer. More specifically, a database can provide issues relating to ethics in relation to accuracy, usage and consent (Gutek 1995) of such information. The growth of database marketing has resulted in the issue of privacy becoming more sensitive (DeTienne & Thompson 1996). Indeed, information technology is a double-edged sword that potentially provides increased value for companies but may be seen by customers as a potential threat to their interests (Peters 1997). Conversely, privacy can be addressed more effectively through focus on nurturing of customer relationships (Schoenbachler & Gordon 2002). This issue of privacy is discussed further in Section 2.7.2 of the theoretical framework.
Responsive. The information contained in a marketing database permits an organisation to respond to customer needs. Given the right information, customer needs can be anticipated through the marketing database (Hochhauser 1992). In addition, the database facilitates the potential to individualise offerings and develop two-way dialogues with customers (Peters 1997). For example, the database for a hotel can record guest history in terms of room type, this information can then be used in a responsive manner when the guest enquires about staying again.

Accountability. This interactivity and responsiveness paves the way for another characteristic of database marketing, accountability. Proponents of database marketing emphasise accountability and measurability as strengths. Different offers, products and segments can be assessed for effectiveness (Hochhauser 1992) enabling expenditure on a campaign to be measured against subsequent campaign results (Schoenbachler et al. 1997). Indeed, in comparison to mass media communication, database marketing is more functional in assessing effectiveness of strategy (Forcht & Cochran 1999). Furthermore, this tracking of database marketing effectiveness can facilitate the retention of those customers who are of value to the company (Schoenbachler et al. 1997). Indeed, database marketing can save costs through targeted strategy resulting in decreased wasted effort and increased returns (Zineldin 2000). In comparison, the costs of alternate mass marketing strategies have increased remarkably over recent years (Forcht & Cochran 1999).

However, the cost of setting up a database system can be sizable and out of the financial reach of small organisations (Pitta 1998). Furthermore, maintaining a database uses non-financial as well as financial resources (Day 2000). These costs include technology, organisational change, training, and strategy. Moreover, with the role of database marketing expanding to other non-marketing departments, there are questions over who should pay for the development and ongoing costs for this integrated database system (Hartley & Pickton 1999).

In summary, database marketing has characteristics that constitute advances on traditional marketing. It therefore provides a relevant discipline to investigate how customer contact services can be customised.
2.4.2 Developments in database marketing

Database marketing has grown from a narrow tool used for specialist direct mail and direct marketing campaigns through to a widely used tool that has company wide implications for managing relationships with customers. Several frameworks are used to track this progress of marketing practice in terms of customer relationships (Coviello, Milley & Marcolin 2001). One framework identifies the stages of database marketing growth as strategy, evolution, relationship marketing and integration (Dawes & Worthington 1996). For this research, the terms have been modified to direct mail (incorporating telemarketing), direct marketing, relationship marketing and customer relationship management (Perry, Rao & Spencer-Matthews 2003), as shown in Table 2.3. This modification reflects the steps in the developments in database marketing which are outlined next.

Table 2.3 Steps of development in database marketing

<table>
<thead>
<tr>
<th>Steps of development</th>
<th>Steps one Direct mail</th>
<th>Step two Direct marketing</th>
<th>Step three Relationship marketing</th>
<th>Step four Customer relationship management</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Salient issues</strong></td>
<td>Promotion</td>
<td>Transaction</td>
<td>Relationship over multiple transactions with a marketing focus</td>
<td>Holistic relationship with the organisation</td>
</tr>
<tr>
<td>Focus</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Users</td>
<td>Sales/ accounting</td>
<td>Other individual departments</td>
<td>Multiple individual departments co-ordinated by relationship manager (marketing)</td>
<td>Organisation wide</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issues</td>
<td>Lack of real customer focus; organisation bottom line main issue</td>
<td>No integration between departments and/or products; duplication of effort; lack of consistency from consumer perspective; lack of information sharing within organisation</td>
<td>More co-ordinated effort in terms of marketing communication and transactions with customer; some information sharing but accessibility is limited</td>
<td>Entire organisation develops customer focus; sharing and linking of data; accessibility of customer information at various and appropriate points within the organisation</td>
</tr>
</tbody>
</table>

Step one: direct mail. At first, customer databases are used as an information source and means of communicating with customers (DeTienne & Thompson 1996). Using the database for this type of strategy (Dawes & Worthington 1996) means that the marketing or sales departments provide output from the database for the administration of direct mail or tele-marketing like campaigns. This strategy has allowed companies to target smaller markets identified with the aid of the company marketing database (Dawes & Worthington 1996). These campaigns, whilst oriented towards particular customers, are essentially a promotion tool that is internally focussed on short term, bottom line objectives.

Step two: direct marketing. Databases have grown from the internal focus of the first step where the emphasis is on making the promotion administratively easier and more profitable, to one which is more market and customer focussed (Dawes & Worthington 1996). The growth in this aspect of database marketing is reflected by many companies targeting good customers with offers (Rosenthal & McEachern 1997). Common techniques in using database marketing such as direct marketing, involve transaction based activities including up-selling and cross-selling. This enthusiastic embracement of direct marketing has been driven in part by increased power of computer technology and the corresponding decrease in cost of such technology (Buttle 2000a). In addition, database marketing has grown out of problems of competing in competitive markets by taking the focus off price and satisfying customers through more personalised strategies (Pitta 1998).

However, this popularity may lower the impact of this development in database marketing if the customer is bombarded with too many special offers from different companies – or even different departments within the same company (Rosenthal & McEachern 1997). Indeed, this increased clutter can have the unintended effect of encouraging customers to become price sensitive by waiting for the right offer (Rosenthal & McEachern 1997).

With this expansion and increased acceptance of database marketing comes increased opportunities to collect information from customers. However, this proliferation of collected information may be wasted and inefficient. Indeed information that has been collected through many different functional areas is often not understood as a valuable organisational wide resource. This lack of understanding results in the lack of a clear appreciation of a customer’s total behaviour and profile (Rosenthal & McEachern 1997). The challenge is to use collected data to understand who, what, where, when and how of
customer activity and needs (Buttle 2000b) in a holistic, non-fragmented sense. In addition, using customer databases for direct marketing is a useful management tool to provide broad market analysis and strategy input (DeTienne & Thompson 1996).

**Step three: relationship marketing.** The next step in database marketing enables organisations to build on their learning about individual customers to develop relationships with them (DeTienne & Thompson 1996). There are several theoretical and practical definitions for relationship marketing. Relationship marketing is often intimated to be merely a *series* of transactions whereas more complex definitions acknowledge factors such as commitment, trust and communication (Colgate & Alexander 1998). The terms database marketing and relationship marketing are often used interchangeably. However it is only when a database is used to advance relationships with customers that the terms are congruent, that is, the database provides the means to implement relationship marketing strategy (DeTienne & Thompson 1996).

This change in emphasis recognises that it is more costly to find new customers than to invest in satisfying the needs of ongoing customers (Peters 1997; Wong & Perry 1991). Therefore, a major motivation from an organisational perspective for a relationship marketing program is the economic promise delivered through customer retention (Barnes & Howlett 1998; Colgate, Stewart & Kinsella 1996). Nevertheless, little research has shown what the true benefits of relationship marketing are for the customer (Barnes & Howlett 1998) despite some research finding that relationship marketing is not always beneficial to either the organisation or the customer (Colgate & Danaher 2000).

Regardless of the issue of benefit, relationship marketing has continued to grow and may be a defensive marketing ploy aimed at improving customer loyalty (Colgate & Alexander 1998). Paradoxically, as the number of loyalty programmes grow the effectiveness in terms of delivering competitive advantage diminishes (Palmer, McMahon-Beattie & Beggs 2000). This phenomenon is potentially due to loyalty programmes being perceived as the norm and thus delivering a lack of differentiation.

Nevertheless, having a quality relationship with a customer can be the source of competitive advantage for an organisation (Palmer 1997). Thus there has been a shift in emphasis of marketing strategy from transactional to relationship marketing (Feinberg et
al. 2000). Relationship marketing as a concept is often misunderstood (Barnes & Howlett 1998) and in some forms may be becoming dated (Buttle 2000a). Indeed, many organisations who purport to practice relationship marketing are only geared to provide efficient transaction management (Barnes & Howlett 1998). Simply stated, having a customer database does not equate to true relationship marketing (Barnes & Howlett 1998); the database is only the starting point.

Indeed, the ongoing development of relationship marketing has found quality, customer service and marketing are interrelated variables in the relationship marketing equation (Dawes & Worthington 1996). Furthermore, when attempting to encourage customer relationships companies need to look at non core elements such as organisational structure and staffing issues (Barnes & Howlett 1998). Thus, the modern view of database marketing stipulates a long-term perspective and must be integrated into the overall business, as in the fourth step in the development of database marketing (Wray, Palmer & Bejou 1994).

*Step four: customer relationship management.* To develop the relationship marketing concept further, and to improve the quality of the customer database, information integration has become a key issue in database marketing (Dawes & Worthington 1996). The issue of integration is maturing into new concepts such as customer relationship marketing or the broader term, *customer relationship management (CRM)* (Perry, Rao & Spencer-Matthews 2003). The steps in developing a CRM ready company are also referred to as gaining a ‘market relating capability’ (Day 2000 p. 24).

CRM takes a holistic view of the customer and involves several organisational components such as ‘management of technology, processes, information resources, and people’ (Galbreath & Rogers 1999, p. 1). Organisations are ‘puzzles’ that require integration of these various organisational components, or functional areas to operate effectively (Buttle 2000b; Galbreath & Rogers 1999 p. 162; Pitta 1998). This integration can involve suppliers (Galbreath & Rogers 1999) and other ‘outsiders’. However for the purposes of this research CRM is considered to be in the context of customer contact points and therefore ‘outsiders’ who do not provide *customer* contact points are not relevant.
Customer relationship management is a long term strategy (Buttle 2000b) that also requires staff, structural and technological attention, often involving significant organisational change. CRM success relies on internal inter-functional cooperation (Dawes & Worthington 1996; Hochhauser 1992; Pitta 1998), top management support and a market orientation (Crosby & Johnson 2002; DeTienne & Thompson 1996;). For example, organisations who have a structure that is product focussed rather than customer focussed will have trouble implementing CRM (Buttle 2000b). Likewise, those organisations who only focus on the marketing mix as a means to building relationships and satisfaction with customers may not be effective (Crosby & Johnson 2002).

In addition, CRM comes at a financial cost and may not be worth the investment, particularly if customers are price sensitive and have low service expectations (Palmer, McMahon-Beattie & Beggs 2000). Costs of CRM include information processing resources, data collection costs and the perceived psychological costs to customers who divulge their personal information and behaviour (Palmer, McMahon-Beattie & Beggs 2000). Regardless, at its highest level, CRM is about more than just information technology (Buttle 2000b), for it also includes systems, structures, organisational culture and staffing.

One reason for the complexity of CRM is that customer needs are not static and therefore require constant monitoring and effort (Day 2000) in order to address satisfaction. If customers are satisfied they are more likely to display repeat patronage (Gordon 1998). However, many conventional models of customer satisfaction focus around the concept of meeting customer expectations (Schneider & Bowen 1999). Measuring expectations is usually done by examining the needs of a segment of typical customers rather than an individual customer. However, individual customer’s needs are intangible, heterogenic and changing (Buttle 1994) and so the measurement of customer segments’ expectations may have limited value (Schneider & Bowen 1999). In brief, the dynamic nature of customer needs means that service providers must delight their customers through individual treatment (Schneider & Bowen 1999).

Thus the underlying philosophy of CRM acknowledges the need to treat valuable customers individually and can be used to improve customer service (Crosby & Johnson 2002; Karimi; Somers & Gupta 2001;). With the trend towards CRM, companies need to
find ways to capture in the database, the elements of the relationship that customers most value (DeTienne & Thompson 1996). However, collecting information on its own does not guarantee success. Indeed, the recent increase in expenditure on CRM has often not resulted in more satisfied customers (Karimi; Somers & Gupta 2001). The information must be utilised to meet customer needs in a seamless manner through disseminating and acting upon it when and where required. In other words, organisations must address the issue of accessibility to customer information by connecting the customer contact points through the database in a way that facilitates service delivery. For example, a nationwide UK building society (Dawes & Worthington 1996) introduced an integrated customer information system to replace their more traditional customer management system. The aim of the system was to provide one-touch services where 80 percent of customer needs or queries could be attended to, wherever the point of contact was made. Issues related to this change included the integration of data from various sources, the need to clean the data, the need for investment by management into the system and the accessibility of data by staff from a variety of locations to deliver services (Buttle 2000b; Dawes & Worthington 1996;; Lammey & Hind 2000).

In summary, CRM requires relationship-appropriate culture, structure, staff and systems (Buttle 2000b; Colgate & Stewart 1998). Effective CRM results in an organisation being able to differentiate itself through knowledge and strong bonds with customers (Crosby & Johnson 2002). The goal of CRM is to customise an organisation’s offerings and interactions (Colgate & Stewart 1998) through the multiple channels, or contact points, used by customers (Crosby & Johnson 2002). Acknowledging that this is a massive undertaking (Day 2000; Pitta 1998), especially for big business, it is not surprising that many organisations have not fully implemented a CRM business approach (Colgate & Stewart 1998; Galbreath & Rogers 1999; Yu 2001).

2.4.3 Conclusions about the significance of database marketing

Overall, database marketing continues to provide value to an organisation. Indeed with developments in technology and the ongoing need to satisfy customers, the database is growing in importance from a marketing and organisational perspective. However, the ramifications of this growth are becoming evident in broad organisational factors such as
Thus, this research will consider the integration of the two parent theories, customer service and database marketing. More specifically, progress towards understanding how and why can customer contact services use information from database marketing to provide customised customer service is explored.

2.5 Development of a new theoretical framework

In the previous sections, the core issues of customer service and database marketing were considered. This next section will build on the literature of these two parent theories to provide a theoretical framework linking customer contact service and database marketing. Essentially, the theoretical framework integrates the literature on customer service, customer contact service and database marketing to provide a structure for data collection and analysis.

2.5.1 Foundations of the theoretical framework

Information accessibility is a key to business success (Gates 1999) and this research looks at information accessibility in the delivery of customised customer contact service. Indeed, marketing databases can provide the information required for customised customer contact service. In addition, this information availability and potential for responsiveness to customer needs can lead to greater levels of reported customer satisfaction (Coviello, Milley & Marcolin 2001; Daugherty, Ellinger & Rogers 1995). However, delivering value to customers requires both internal co-ordination of information within a company and rapid real time dissemination of such information (Peters 1997).

Traditional organisational structures and systems do not usually allow for this co-ordination and sharing of information. As a result of this lack of organisational co-ordination, customers often experience a series of discontinuous interactions during their encounters with different contact points. In a typical organisation that is not integrated or designed to track individual customer action the customer is an external entity interacting with a variety of disconnected contact points, as shown in Figure 2.5.
Figure 2.5  Contact points and disconnected data flow - the customer commonly experiences discontinuous contact service

Notes:
Mainly two-way data flow between contact points
Potential barriers for relevant data to flow to customer

Source: developed for this research.
Each organisational contact point has a varied ability to share data internally ranging from no data sharing capacity (for example, non-networked computers, non-computerised data storage facilities) to significant data sharing (for example, the marketing database and the central computer, computers within the same department). This disconnection between contact points presents potential barriers for relevant data flow. Indeed every contact point and/or receptacle for information about a customer may provide a blockage of valuable information about a customer. This blockage is grounded in the lack of information sharing in the organisation.

In contrast, this research is about how and why customer contact points can be connected in real time to the marketing database. The diversity of contact points in an organisation means their connection with the marketing database is complex with a typical organisation not providing customised customer contact service, as was shown in Figure 2.5. This organisation has contact points that are disconnected leading to customers commonly experiencing a series of disconnected contact experiences. For example, the customer database used in the telephone call centre of a bank is not connected to the teller in the bank leading to poor data flow about the customer between the contact points. Indeed, research into why customers change financial institutions revealed the lack of satisfaction with the quality of customer service as the main issue (Boynton & Zmud 1987). Furthermore, there is evidence that customers are seeking better and more convenient ways to access service from organisations but there is very little attention in the literature about this issue of service convenience (Berry, Seiders & Grewal 2002).

Accordingly, a database can be utilised to integrate contacts points and/or receptacles of customer information, as shown in Figure 2.6. In such an integrated organisation, the marketing database is the hub around which the wheel of seamless sharing of information revolves, as shown by the centrality of the customer and marketing database. In this integrated organisation, the customer is a vital component of this model and contributes to overall customer contact management. That is, the teller in the bank is aware of the transactions and activities that the customer has participated in at the call centre. In this example, the customer is able to receive customised customer contact service because their past interactions are taken into consideration.
Figure 2.6   **Integrated contact points and data flow - the customer has an expectation of seamless interaction at any point**

Non face-to-face contact points.
For example, telephone, email, mail, voicemail, website

Source: developed for this research.
Research into customer needs and satisfaction reveal increased expectations of personalised customer service from various contact points (for example Gilmore 2001; Johnson 2001; Yang & Jun 2002). However, direction into how to deliver this personalised customer service is lacking in the literature (Weiss 1999). This customer contact management is about managing interactions that occur at the various contact points customers use when doing business with an organisation. This management of contact points aims to prevent the customer from having to ‘reinvent their story’ every time they make contact. That is, CCM collects, records and accesses relevant information about a customer in real time so that customised customer contact service can be delivered with each interaction, generally irrespective of the customer request (Perry, Rao & Spencer-Matthews, 2003). Ideally, this means an organisation can keep building the relationship and adding value to service encounters without customers needing to invest as much time and energy (Palmer 1997). Indeed, evidence of demand for customised customer contact service through CCM include accounts of customers and staff who experience frustrations at not be able to satisfy needs within the one service encounter (Gilmore 2001; Yang & Jun 2002). In addition, there are indications that organisational growth often makes developing personal relationships with customers difficult but that information technology should be able to be used to foster one-to-one customer contact (Palmer 1997). However, development of CCM has not been included in the literature previously reviewed about the four stages of database marketing development because there is little research so far about CCM being a standalone and comprehensive area of knowledge. That is, the under researched nature of CCM means it is pre-paradigmatic and warrants further investigation. Accordingly, this research proposes further study about the fifth stage in the development of database marketing is customer contact management (CCM). CCM is a subset of CRM and is narrower and deeper than CRM with further comparisons, as illustrated in Figure 2.7. That is, like CRM, CCM emphasises real time access to customer information at any contact point within the organisation (Yu 2001) (Section 2.5.2). However, CCM has a narrower focus than CRM and is concerned with creating visibility across the multiple contact points. This visibility enables the provision of superior service as the company possesses a unified and current view of each customer enabling customised service delivery (Bradshaw & Brash 2001; Butler 2000). Moreover, CCM is operationally based and provides the ‘how’ of contact point management, through short to medium term goals. In comparison, CRM has a long term managerial prescriptive foundation that dictates what should be done rather than how. In addition, CRM has an analytical base grounded in
segmentation theory and the culmination of market research. Finally, CCM aims to integrate relevant information from interactions by customers at the various contact points enabling the customer to view and experience the organisation as a single entity (Figure 2.7).

Figure 2.7 **Association between CRM and CCM**

The differences and similarities between CRM and CCM are further clarified based on the four factors of focus, strategy, users and issues as shown in Table 2.4. Firstly, the focus of CRM is broad whilst CCM is narrower but deeper. In addition CRM has a managerial prescriptive focus that dictates what should be done compared with the operational descriptive foundation, or the how, of CCM. Secondly, CRM contact with customers is proactive in the communication of relevant offers whilst CCM is reactive management and response to customer contacts. Thirdly, the users of CRM and CCM are both organisation wide with particular focus for CCM on internal personnel and other technology based channels of communication. Finally, as with CRM, CCM attests to developing a customer focus. However, CRM has the potential for discontinuation of information sharing between different customer contact points leading to customer frustration. Accordingly, CCM strives to provide real time access to customer information at all contact points in the endeavour to provide customised customer contact service (Heim & Sinha 2001). In addition, the customer is able to deal with the company as a single entity when operating under the auspices of CCM (Gross 2000).
Table 2.4  **Development towards customer contact management from customer relationship management in database marketing**

<table>
<thead>
<tr>
<th></th>
<th>Customer relationship management</th>
<th>Customer contact management</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Focus</strong></td>
<td>Holistic relationship with the organisation. <em>Broad</em> focus that has an analytical base grounded</td>
<td>Holistic and integrated relationship with the organisation involving all relevant customer</td>
</tr>
<tr>
<td></td>
<td>in segmentation theory and the culmination of market research data.</td>
<td>contact points. <em>Narrow but deeper</em> focus concerned with creating visibility across multiple</td>
</tr>
<tr>
<td></td>
<td><em>Managerial</em> prescriptive foundation – that is, dictates <em>what</em> should be done to manage customer</td>
<td>contact points. A subset of CRM. <em>Operational</em> descriptive foundation – that is, portrays <em>how</em></td>
</tr>
<tr>
<td></td>
<td>relationships.</td>
<td>the contact points of the customer relationships can be managed.</td>
</tr>
<tr>
<td><strong>Strategy</strong></td>
<td><em>Proactive</em> contact with customers that communicates ‘offers’ designed to manage customer</td>
<td><em>Reactive</em> management and response to contacts from customers regardless of particular contact</td>
</tr>
<tr>
<td></td>
<td>relationships. Communication attempts to be two way by seeking feedback from customers in terms</td>
<td>point used. <em>Medium and short term</em> strategy through the satisfaction of customers by providing</td>
</tr>
<tr>
<td></td>
<td>of their wants and needs. <em>Long term</em> strategy.</td>
<td>customised service delivery at relevant customer contact points. Each individual customer</td>
</tr>
<tr>
<td></td>
<td></td>
<td>action is tracked at each contact point. Visibility across contact points enables a single</td>
</tr>
<tr>
<td></td>
<td></td>
<td>view of the customer.</td>
</tr>
<tr>
<td><strong>Users</strong></td>
<td>Organisation wide plus suppliers and other ‘outsiders’.</td>
<td>Organisation wide with focus on internal personnel at contact points and other ‘technology’</td>
</tr>
<tr>
<td></td>
<td></td>
<td>based channels of communication.</td>
</tr>
<tr>
<td><strong>Issues</strong></td>
<td>Entire organisation develops customer focus; sharing and linking of data; accessibility of</td>
<td>As for customer relationship management but accessibility of information must be <em>real time</em> and</td>
</tr>
<tr>
<td></td>
<td>customer information at various and appropriate points within the organisation. Potential for</td>
<td>all customer contact points require such access. Customer contact points are recognised as a</td>
</tr>
<tr>
<td></td>
<td>discontinuation of information sharing between different customer contact points leading to</td>
<td>two way interaction between the customer and the provider thus enabling provision of <em>customised</em></td>
</tr>
<tr>
<td></td>
<td>customer frustration</td>
<td>customer contact service.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Customers are able to deal with company as a single entity.</td>
</tr>
</tbody>
</table>

Source: developed for this research.
To better understand the issues relevant to how and why can customer contact services use information from database marketing to provide customised customer service a theoretical framework has been developed. This framework is presented and discussed next.

### 2.5.2 The theoretical framework

The theoretical framework and its related research issues that are the foci for data collection and analysis of this research are developed out of the parent theories discussed above. The framework consists of six stages from the initial input, to subsequent output of information in a customer contact sense, as shown in Figure 2.8. Inputs into a database and other information, flow to standardised and customised service points that produce strategic outputs of customised customer contact service. The information gained through the customised customer contact service is then fed back to the marketing database as another input source. A brief explanation of the six stages in Figure 2.8 is now provided followed by an analysis of each linkage or research issue.

Figure 2.8 Theoretical framework, with numbers indicating the research issues and each box representing different stages: Integrating customer contacts through the marketing database to deliver customised customer contact service

![Diagram of the theoretical framework](source: developed for this research.)
To begin, *information inputs* (box A) refer to the information an organisation collects, or has potential to collect, for input into the database (Galbreath & Rogers 1999). For this research, data is necessary for, or a result of, the provision of standardised customer service (Julian & Ramaseshan 1994). This includes data that is, or can be, captured by the database at a sophisticated database marketing level (Section 2.5.1). In turn, *standardised customer service* (box B) is customer service that is not customised significantly to the specific needs of a customer. For this research, standardised customer service is viewed as an ‘everyday’ experience a customer may have during a transaction. For example when a customer visits the bank and due to the lack of formal customer identification protocol the customer is not ‘recognised’ and receives the standard service that is provided to all customers. However, a degree of variability exists in most encounters with customers due to situation factors and individual differences (Julian & Ramaseshan 1994) (Section 2.4.2).

Next, *data processing* (box C) refers to the storage facility that holds the input sources. More specifically, it is the technology and ability to transform the data from these input sources into information (DeTienne & Thompson 1996; Dawes & Worthington 1996) (Section 2.6.1). Then, *potential for customised communication* (box D) extends data processing by combining technology and marketing to potentially provide customised communication (Barnes & Howlett 1998; Bradshaw & Brash 2001; Butler 2000). In essence, customised service refers to the requirements that humanise the impact of technology through valuing, knowing and interacting with customers. For example, it provides the foundation for customised communication by having available the information and necessary structure for facilitating meaningful customer interactions (Bitner 2001). *Strategic outputs* (box E) are the practical outcomes (box D) by combining customer contact service with database marketing (Domegan 1996). Strategic outputs follow potential for customised communication by delivering practical outcomes in the form of actual customised customer contact service. For example, box E is representative of the actual service interactions experienced by the customer under the practice of CCM (Section 2.6). Finally, *continuous feedback* (box F) refers to the processes and issues to provide access to modifying, refining and building information on individual customers.
as a result of their interaction with customer contact points and customised customer contact service (Karimi; Somers & Gupta 2001).

Six research issues have been developed that focus on the linkages between these stages in the theoretical framework (Figure 2.8). These issues are now explored in more detail in preparation for the qualitative examination later in the research.

**Research issue 1: inputs to data processes**

Numerous customer contact specific information is gathered and maintained in a database. This research issue explores the information inputs to database marketing (Boxes A & C) in the theoretical framework. This information stems from sources internal to the organisation as well as external. One reason for the number of customer contact specific input sources is the trend towards geographic and temporal mobility. Geographic mobility refers to the ability of customer’s to obtain service from an organisation via different geographic points (Dawes & Rowley 1998) and is facilitating the need for an avenue to provide consistent and personalised service (Gutek 1995). As well, people work at different times and can have difficulty accessing organisations that do not have some form of out of hours access like call centres or ATMs. One way of providing this consistent personalised service is through customer contact management. Similarly, the growth of ‘virtual communities’ on the internet (Palmer & McCole 2000; Rich 2000 p. 175) requires managers to address the implications of these new customer contact points (Section 2.3.1). This diversity of contact points means that information gathered from these points can be diverse too. For example, factors such as the existence or a lack of visual cues, immediate feedback and physical presence impact on the quality and type of information flow to the company (Wathen & Anderson 1995) (Section 2.2.1). Indeed, not all contact points use the same communication mode (Pitta 1998), for example, face-to-face communication provides input from many senses, whereas communication via the telephone lacks visual sense. Implications and identification of these diverse contact points and communication modes requires the further exploration
provided in this research (for example Berry, Seiders & Grewal 2002;; Johnson 2001; Weiss 1999; Yang & Jun 2002).

Moreover, customer contact management requires attention to more effectively collecting and applying database information (Rich 2000). Indeed, the extent of information that is input into the database is reflected in how the database is used (Domegan 1996). If the information is used for basic administrative and accounting activities then sources of information are few and stem from sales and accounting records (Section 2.5.2). However, if the database is used for more sophisticated relationship and contact management activities, then its information is richer and potentially more difficult to capture. Moreover, information that is used in this strategic sense is more likely to be derived from numerous integrated sources from throughout the organisation (Domegan 1996). Thus the type, priority and degree of information needed for customer contact management requires determination (Daugherty, Ellinger & Rogers 1995).

The information sources that can currently be input into a database include mailing lists, new account forms, results from inbound/outbound telemarketing, accounting data, sales information. This research aims to identify which of these traditional input sources are particularly relevant to customer contact services along with identifying input sources from alternate and emerging customer contact points such as the internet (Rich 2000). The issue of relevance is important to this research, as it will play a key role in providing value to both consumers and the organisation. That is,

RI 1 What information relevant to customer contact service is utilised for database marketing and how?

Research issue 2: input to standardised customer service

Information also plays a role in the delivery of standardised customer service and this research issue looks at the link between information sources and standardised customer service, (Boxes A & B) in the theoretical framework. Standardised customer service is fed by information that is primarily accessed at the time of contact, that is, from customer
contact personnel (Section 2.3). Therefore, information that is held on a customer, whether it is in a database or otherwise, has a role in the provision of standardised customer service (Julian & Ramaseshan 1994). Indeed, the concept of standardised customer service for many industries is perhaps a little misleading because of the role of this individual customer information (Wathen & Anderson 1995). For example, banks cannot deposit money from a customer without knowing their customer account information; hotels cannot book accommodation until they know the date and style of room the customer requires. Moreover, information inputs can differ from company to company and transaction to transaction.

Nonetheless, information accessed in standardised customer service is basic, and research into how this basic information gels with current offerings of standardised customer service will be insightful for potential customer contact management strategies (Section 2.3.2). Indeed those organisations that enjoy regular standard transactions with customers are well placed in building and managing long-term relationships (Alexander & Colgate 2000). However, research has shown that many customers are often dissatisfied with standardised customer service particularly at technology based contact points (Heim & Sinha 2001; Yang & Jun 2002). In addition, it is becoming more recognised that organisations need to understand how to more effectively serve customers (Parasuraman 1998). Hence it will be useful to formalise the information utilised in standardised customer service, therefore,

**RI 2  How is information utilised in the provision of standardised customer service and why?**

**Research issue 3: output from standardised customer service**

There is potential for capturing information from standardised customer service activities for input into the database (Karimi, Somers & Gupta 2001). For example, what information from normal customer service interactions with customers can be gathered and stored into the database for use in future transactions? This information from standardised customer service could then be of use in building a profile of the customer
so that future interactions can be customised to their needs (Piccol, Spalding & Ives 2001). All organisations, particularly service organisations, are learning the importance of having information systems to track customers and their actions (Gray, Matear & Matheson 2002). In addition, research about the value or otherwise of the ability to capture information from standardised customer service interactions needs to be undertaken because service issues are becoming more complex and often require non-standard information to be resolved (Gilmore 2001). Thus, this research issue investigates this potential and explores the link between standardised customer service and data processing (Boxes B & C of Figure 2.8) in the theoretical framework (Section 2.5.2). The information that is relevant for the database needs to be formally identified but could include results and issues pertaining to the service interaction (Section 2.7.1). At present, information may be blocked at either points two or three in the theoretical model, that is, either, input sources to customer service are blocked, and/or output to data processing from the customer service transaction is blocked. Thus,

RI 3 What information from customer service transactions and/or interactions can be integrated into the database, and why?

Research issue 4: potential for customised communication

Opportunities exist from how the information collected from customer interactions and other sources (Boxes A, B and C of the theoretical framework) can be utilised in the delivery of customer value through customised communication. This customised communication is set in the context of customer contact points by having the ability to provide customised customer contact service (Coviello, Milley & Marcolin 2001). For example, what are the reasons behind converting the information collected in stage one, two and three of the theoretical framework into customised customer contact service. Therefore, this research needs to identify how the data can be best utilised to provide novel solutions to customer contact service, the link between data processing and the potential for customised communication (Boxes C & D in the theoretical framework). Indeed, research on the importance of information quality to decision makers regular
planning schedules has been reported (Berry & Parasuraman 1997) but does not discuss the day-to-day opportunities of having access to real time information (Section 2.3.2).

Thus total contact management enables those staff who need information relevant to an individual customer real time accessibility to the information through information technology (Rosenthal & McEachern 1997). In contrast, information technology, in the form of the customer database, may reduce the reliance on human skills such as memory thus enabling learning about customers that can then lead to consistent and relevant customer service (Dawes & Rowley 1998). Indeed, technology is enabling organisations to provide better service without necessarily the need for more skilled staff (Slywotzky & Morrison 2001).

The service experience is changing. One reason for this change relates to the displacement of personal interaction between the provider and customer (Gabbott 1996). This change of weighting away from personal interaction means that systems and alternate contact points are becoming more important in customer contact management (Section 2.3.1) (for example Bitner, Brown & Meuter 2000; Yang & Jun 2002). Indeed technology can be used to improve these new styles of interaction between provider and customer (Gross 2000; Gutek 1995; Palmer 1997). For example, the database can be used to help track customer information so that the interactions at contact points are more meaningful (Spencer-Matthews & Perry 2001). Furthermore, whilst there has been little research studying consumer perceptions of technology based contact, such as ATMs, Internet and Interactive Voice Recognition (IVR), it is considered that satisfaction with such contact methods correlates with the satisfaction of customers (Lang, Colgate & Ong 1999; Muir & Douglas 2001; Yang & Jun 2002). Furthermore, customer contact interaction will continue to grow and change as the feasibility for dialogue, through whatever means of contact, between a company and their customers becomes a reality (Dick, Gallimore & Brown 2002; Peters 1997).

Further research into the developing field of customer contact management is relevant to large and small businesses alike. Indeed, a paradox is emerging where large organisations
spend money on information systems in an effort to emulate the customised service provided with comparable ease at the various contact points in smaller organisations (Gilmore et al 1999; Palmer, McMahon-Beattie & Beggs 2000;). This customised service helps redress the recent increased power of customers who change suppliers if they perceive they are not getting value from the relationship (Slywotzky & Morrison 2001). Indeed, there is a research gap about this issue (Spencer-Matthews & Perry 2001). Opportunities exist for academia and business to explore the reasons behind the new options presented by customised communication. That is,

RI 4 What is driving the opportunity for customised service and why?

Research issue 5: strategic service output

There has been agreement about the requirement for developing customer relationships yet little focus on the required organisational behaviour to implement these relationships is evident (Rich 2000). Indeed, the actual implementation of strategy is often difficult and requires further research (Gilmore 1997; Varadarajan & Jayachandran 1999). Implementation issues in delivering customised service involve organisational culture, resources, structure, systems and staff (Yu 2001). That is, there are still many unknown aspects of implementing customised customer contact service including knowledge about content and structure of information systems; design issues to facilitate cross-functional activities; human resource skills and organisational characteristics such as structure, culture, beliefs, routines (Moorman & Rust 1999). Similarly, issues concern lack of staff training; inaccessibility of data; dynamic nature of data accuracy; complexity of data; and the vastness of data (Pitta 1998). Therefore, this research issue explores these internal organisational implementation factors in addition to issues external to the company including company perceptions of the expectations, likes and dislikes of customers. These implementation issues are reflected in the link between the potential for customised communication and strategic service outputs (Boxes D & E) of the theoretical framework and are now synthesised from the literature into six categories as detailed next.
First is the issue of *culture*. Integrated customer contact service relies on a company adopting a relationship orientation involving organisational wide cultural values (Day 2000; Colgate & Danaher 2000; Rich 2000). Indeed an organisation’s culture can be a significant influence on the success or otherwise of technology based customer management (Grant 2000; Gray, Matear & Matheson 2002). These cultural values surround the need to treat customers as individuals (Palmer, McMahon-Beattie & Beggs 2000).

This need to treat customers individually leads to another important cultural issue of information sharing. Information sharing is required to overcome separate ‘silo’ based customer databases as well as the perceived loss of power when a department or individual has to relinquish their hold on important customer information (Crosby & Johnson 2002; Grant 2000).

The second issue is *systems*. To enable information to be shared and available for the growth in total customer contact activities, sophisticated service delivery systems need to be incorporated into the organisation (Moorman & Rust 1999; Wathen & Anderson 1995). In other words, if customer contact points are not integrated through the database system then this will result in decreased flexibility in terms of customer service and limited information flow (Domegan 1996). Organisations therefore need to consider how they can use their technology and systems to improve customer experience (Piccoli, Spalding & Ives 2001). However, systems and technology alone cannot deliver customised customer contact service (Palmer 1997). Indeed there is a need to focus on relationship management skills that reside in staff in the organisation (Gross 2000; Webster 1992).

Thirdly, *staff* must have the authority to respond to customer requests and needs (Wathen & Anderson 1995) in order to deliver customised customer service. Indeed customer contact personnel have a significant role in defining what and how a product or service is delivered (Lemmink & Mattsson 2002; Palmer 2000). Moreover, many staff may not have actual physical contact with the customer, but may still influence service delivery (;}
Crosby & Johnson 2002; Yu 2001). For example, a behind the scenes staff member responding to a web site query. However, with this multitude of contact points, it may be important for one person or position within the organisation to be the overall manager of individual customer relationships (Rich 2000). This manager may not be ‘present’ at every contact but will help to ensure consistency, reliability and responsiveness of communication in the contact situation. The importance of the role of managers and decision makers in service quality information systems has been researched (Berry & Parasuraman 1997) but further research is required to expand this knowledge to all contact staff and contact points.

Next is the issue of structure. Traditional corporate hierarchies are not usually an effective means for rapid customer responsiveness (Daugherty, Ellinger & Rogers 1995) as a result of the degree of centralisation and formalisation in the organisation (Wathen & Anderson 1995). However, recently there has been recognition that traditional production oriented management styles are not effective in addressing the rising expectations of customers and staff in terms of customer service, especially in call centres (Gilmore 2001). Furthermore, there is limited academic research into how different functional areas in an organisation fit together (Day & Montgomery 1999) in a co-dependent manner to provide customisation (Rich 2000). This lack of knowledge of an appropriate organisational structure for customer contact management is evidenced by the various deposits of customer knowledge in individual departments that are often difficult to recognise as having any value to the organisation as a whole (Day 2000; Yu 2001). Nevertheless, organisational structure impacts the degree of integration of customer contact activities and customer information (Gross 2000; Wathen & Anderson 1995).

Furthermore, customer value as an outcome is often the function of an organisations structure (Heim & Sinha 2001).

Resources are another major barrier to customised customer contact service and refer to resources in the form of time, money or energy (Gutek 1995) and these need to be considered when undertaking relationship management programs (Colgate & Danaher 2000). Indeed relationships can be resource intensive and are rarely designed to be
efficient, yet they can be effective (Gutek 1995). This issue of resource hungry customer management strategies are not new for customer contact. Indeed, the degree of customer contact was introduced as an influence on potential operational efficiency of service delivery in 1978 (Chase 1978). Likewise, using information technology as a customer service tool has been associated with improvements in service quality and productivity (Krishnan et al. 1999). However, relationship management strategies take a long-term view of customer investment and therefore initial and ongoing costs need to be viewed over time.

Moreover, many customers value and want long-term, mutually beneficial relations with organisations (Colgate & Alexander 1998; Yu 2001). To this end, the use of technology in customer relationships may be beneficial to customers by delivering efficient, quick, relevant and accurate service (Gabbott 1996; Slywotzky & Morrison 2001). Furthermore, customers are more likely to accept long term relations with organisations if the customer believes that these relations are grounded in trust and commitment (Peters 1997). However, trust is a particularly difficult feeling to engender when contact is non-personal and from various contact points. The emergence of technology is also challenging concerns about trust, especially privacy (Prabhaker 2000) in the gathering, maintaining and use of customer information (Peters 1997). Indeed, the ease of access to information on individual customers is of concern to many. This concern is centred on issues of the accuracy of data, who has access to the data and not knowing what data is held on an individual (Forcht & Thomas 1994).

To this end, concerns about privacy highlight the need for marketers to understand the boundaries of utilising the marketing database for customer service purposes. Indeed, customers may have different thresholds when it comes to privacy concerns (Long et al. 1999). These varying concerns are dependent upon both internal organisational factors such as perceptions of trustworthiness with customer data, and external factors such as the method and type of data collected (Long et al. 1999). Furthermore, privacy thresholds may vary because some customers may perceive that information accessibility can deliver benefits to them (Forcht & Pierson 1994). Nevertheless, if organisations are set to
gain maximum and long term benefit from their integrated databases then customers need to be assured that their data is protected and used with respect (Prabhaker 2000).

In brief, research issue five illustrates that there is scant information available on the implementation issues for customised customer contact service, and even less within an Australian setting. There are many unanswered questions about the ‘how’ or implementation of total customer contact service (Crosby & Johnson 2002; Sergeant & Frenkel 2000). For example: What is meant by relevant integration? Is it too costly and unwieldy? Can it add value? Are there certain customers who could be singled out for total customer contact service? Is total customer contact service possible? Therefore this research will focus specifically on the relevant implementation issues, that is, research issue 5 is:

RI 5  How can individualised communication be incorporated into the total customer contact service?

Research issue 6: feedback mechanisms

Feedback closes the information loop for customer contact management and this research issue looks at the link between strategic service outputs and feedback to the input sources (links between Boxes E, F & A) in the theoretical framework. To provide customisation, marketers need to generate feedback through their database to tailor future customer preferences (Rich 2000). Even though many organisations are moving towards getting knowledge on customers, few are using this knowledge optimally (Rich 2000). One reason for this lack of optimal use may be because organisations have not developed procedures and systems to keep this information up to date and accurate (Rich 2000).

The continual collection and maintenance of current and accurate information on customer needs and behaviour after each contact the customer has with the organisation is under-researched. Nevertheless, providing good customer service and convenience in the form of accessibility to the organisation can reduce the likelihood of customer defection (Colgate, Stewart & Kinsela 1996). Moreover, accessing such information in a
real time situation from a multitude of contact points involves all areas of the organisation. Issues in providing this feedback loop need to be clarified. Hence, 

**RI 6  How and why can feedback be incorporated into integrated database marketing?**

### 2.6  Conclusions

This chapter has reviewed the literature relevant to the two parent theories of customer service, with specific focus on customer contact service, and database marketing. These underlying principles have lead to the development of a theoretical framework that integrates customer contacts through the marketing database to deliver customised customer contact service as was illustrated in Figure 2.8. In addition, some of the outcomes of the convergent interviews have been included in the discussions of the theoretical framework. Six research issues were derived from that framework:

- **RI 1** What information relevant to customer contact service is utilised for database marketing and how?
- **RI 2** How is information utilised in the provision of standardised customer service and why?
- **RI 3** What information from customer service transactions and/or interactions can be integrated into the database, and why?
- **RI 4** What is driving the opportunity for customised service and why?
- **RI 5** How can individualised communication be incorporated into the total customer contact service?
- **RI 6** How and why can feedback be incorporated into integrated database marketing

Further research is required to explore this theoretical framework with specific reference to the Australian situation. Now that the literature has been reviewed, the next chapter will discuss in more detail the process and outcomes of the first stage of primary data gathering, convergent interviews.
Chapter 3  Stage one convergent interviews: methodology and results

3.1 Introduction

Chapter 2 examined the literature relevant to customer contact service and database marketing and has resulted in a new theoretical framework and six associated research issues. This next chapter examines the convergent interviewing process that forms the first stage of two stages of data collection and analysis used to address these research issues.

The chapter has six main sections, as shown in Figure 3.1. The chapter begins with issues in using qualitative research (Section 3.2), followed by justification and explanation of the convergent interview process in addition to consideration of the issues specific to reliability and validity of data (Section 3.3). Next, the prior theory that was gathered for this research is discussed in the context of its role in the convergent interviewing process (Section 3.4) followed by elaboration of the implementation process and guide for the convergent interviews (Section 3.5). Finally, the collected data is summarised and analysed (Section 3.6) prior to drawing conclusions (Section 3.7).

3.2 Choosing the appropriate qualitative research method

This section explores the qualitative research methodology that forms the basis for the stage one research. Qualitative research was suitable for the needs of this stage one research because it is a technique that enables gathering of in-depth information from respondents that is often not available through quantitative methods (Burns, Williams & Maxham 2000). That is, stage one research required an exploratory technique to identify the issues and gain industry feedback on the theoretical framework. Furthermore, qualitative research follows a flexible approach that allows the discovery of rich information that can provide the opportunity for new insights on issues (Gilmore & Carson 1996a). This flexible and in-depth approach gains answers to the how and why research issues raised in the new theoretical framework (Brower, Abolafia & Carr 2000; Healy & Perry 2000).
To restate, the aim of stage one was to gather exploratory information from industry experts. A form of in-depth interviewing called convergent interviewing was most appropriate for this research, as discussed in Section 3.3. Two popular forms of exploratory research were considered for this stage one research, focus groups and in-depth interviews (Hair, Bush & Ortinau 2000). After consideration, focus groups were discarded as a methodology. Focus groups involve the researcher in listening, steering and moderating a group discussion. The group participants consist of appropriately selected people who have an interest in the topic. The aim of the focus group discussion is to get the group members to talk in detail about the topic within about 90 minutes. It was impossible to arrange a group of industry experts to be available at the one time. In addition, the depth of data required about individual perceptions of CCM was thought to be beyond the scope of one 90 minute group discussion with competitors present.
Thus, another exploratory technique, convergent in-depth interviews, were used. An in-depth interview has similar aims to a focus group in that the interviewer asks relatively unstructured questions in an attempt to get unrestricted insight. However, there is only one respondent per interview enabling opportunity for thorough exploration of the individual respondent’s attitudes, behaviours and feelings. In particular, convergent interviews are a form of in-depth interviewing that provides progressive analysis of data that feeds into later interviews and shows the interviewer when to stop gathering data, that is, when convergence becomes evident.

In-depth interviews, using a convergent interviewing technique, were more appropriate than focus groups for stage one of this research because: of the potentially sensitive commercial nature of the information being sought (Toma 2000), more control over distractions (Hair, Bush & Ortinau 2000), the type of information sought (Carson et al. 2001), and logistics (Dillon, Madden & Firtle 1994). Furthermore, convergent interviews offer a more efficient data analysis in the form of matrices compared to in-depth interviews that look solely at content (Master 1999). That is, the data is able to be viewed across interviewees according to key findings. Data analysis is discussed in more detail in Section 3.6.

The interviewees were industry specialists. In-depth interviews were more likely to encourage industry specialists’ co-operation than focus groups would have because the private nature of in-depth interviews helped to alleviate fears of competitor scrutiny and offered the respondents more privacy. Focus groups use group input to guide the discussion that may not always reflect the issues or opinions of individuals within that group (Zikmund 1997). In addition, the information sought was of a complex nature and this complexity may not have been revealed within the relatively short duration of a focus group.

Regardless of these positive aspects of convergent interviews they do have some disadvantages that can impact on the quality of information gathered. These disadvantages include interviewer error and biases on behalf of the interviewer and the
respondent (Easton, McComish & Greenberg 2000). Attempts to lessen these impacts were addressed in this research are detailed in Sections 3.3 and 3.4. Notwithstanding these problems with convergent interviews, the advantage of gathering complex and sensitive data in a timely manner outweighs the disadvantages. Hence, convergent interviews as a method of in-depth interviewing were chosen for stage one of the research.

3.3 Convergent interviewing technique

This section identifies the general process of the convergent interviewing technique along with specific details of how this process was applied to this research. In particular this section reaffirms the main advantages of convergent interviewing and identifies how the disadvantages of the technique were addressed.

Convergent interviewing involves a series of in-depth interviews that eventually converge on important issues (Dick 1990). That is, convergent interviewing commences with an unstructured and flexible questioning technique and builds up to more structured questioning in latter interviews as the information gathered through previous interviews converges. Whilst the content of the interviews are relatively unstructured, particularly the early interviews, the interview guide itself follows established guidelines (Nair & Riege 1995) as discussed in Section 3.5.

Due to the exploratory nature of stage one research, the initial convergent interviews were unstructured because the interviewer was attempting to gain insight into the respondents attitudes and opinions regarding the research issues. Notwithstanding this unstructured nature of the initial interviews, all interviews were focussed on the research issues and the content became more structured with time, as illustrated in Figure 3.2. The reason for this increasing degree of structure within latter interviews is that the interviewer had been able to interpret and converge issues that were raised previously (Rao & Perry 2002). The process of this convergence occurs through the researcher looking for patterns from the data gathered in the interview process. That is, the interviewer looks for agreement between what respondents say as well disagreement
Convergent interviewing was chosen for stage one of this research as it was deemed to have several advantages as a research technique, as already noted in Section 3.2. For
example, convergent interviewing is appropriate for areas that are lacking in an established theoretical base (Dick 1990). The needs of this research were to build a new theoretical framework and as such are well suited to convergent interviewing techniques (Rao & Perry 2003). Indeed, the convergence and funnelling of data from the sequential interviews enables the researcher to consolidate the findings relevant to important issues raised. Moreover, this continuous process of interviewing and interpreting findings can provide superior results as the questions evolve as more information emerges. If this continual redesigning of the question content was not evident in the interview guide of some alternate data collection methods then the results of the research may be quite narrow (Rao & Perry 2002). Furthermore, the flexible nature of question content provides more opportunity to get deeper insights into the issues.

This research attempted to moderate the associated disadvantages of convergent interviewing (Hair, Bush & Ortinau 2000). For example, the unstructured and in-depth nature of interview data can be time consuming to collect, classify and analyse. However this resource issue was not a problem for this research because of the value of the information received. In addition, the number of people required to be interviewed was relatively small and determined by the degree of convergence gained rather than a set sample size used in other research methods. Indeed, qualitative research techniques lend themselves to a small number of respondents (Devers & Frankel 2000).

A second disadvantage of convergent interviewing relates to validity. Validity is threatened if convergent interviewing is not used in conjunction with other methods (Marshall & Rossman 1995). To overcome this issue, the research for stage two used a different qualitative methodology in the form of case studies to add validity to the process of theory building. In addition, triangulation was sought in this research and the process of convergence meant that the outcomes of each in-depth interview were tested by the next interviewee thus providing a form of cross-checking (Rao & Perry 2003). Case research and convergent interviews share many similar issues relating to reliability and validity. Accordingly these issues are discussed in more detail in Chapter 4 Section 4. 5.
The third disadvantage is that interviewer error (as a result of skill level) can affect the quality of data gathered. The interviewer requires skills to facilitate personal interface and questioning technique to ensure rapport, co-operation and quality interaction (Aaker, Kumar & Day 1998). For this research, the interviewer had experience with conducting interviews and academic expertise gained through teaching marketing research methods at university level. Another interviewer error is record keeping. With lengthy in-depth interviews the interviewer may develop fatigue impacting on the quality of information noted from the interview. To overcome this issue more than one interviewer may be used (Hirschman 1986), however in an attempt to avoid these errors of recording and listening the interviews were tape recorded.

Finally, bias on behalf of the interviewer and interviewee can be a disadvantage. Interviewer bias may be the result of the interviewer’s previous knowledge set that can influence the degree and type of interpretation (Dick 1990). To help overcome this potential bias, the researcher used probing questions to seek clarification. In addition, bias was minimised by the interviewer having detailed knowledge of the relevant literature along with industry and academic experience (Rao & Perry 2003). Another form of bias is respondent bias. For example respondents may present problems for the researcher if the respondents are unmotivated or unqualified to participant. In this research, the interviewer attempted to present as professional and trustworthy to encourage participation. Moreover, probing questions were used to uncover any tendencies for respondents to provide superficial answers. For example, probing questions such as ‘why?’, ‘how?’, ‘can you tell me more?’ were used. Furthermore, respondents were selected based on their expertise on the issues thus removing much of the risk of unqualified respondents or responses.

In brief, convergent interviewing has disadvantages. However these disadvantages were in the main overcome through planning by the researcher. Indeed, the researcher considered that the advantages of convergent interviewing outweighed the potential disadvantages.
3.4 Levels of prior theory

The role of prior theory was important grounding for this research. Whilst prior theory is not essential for implementation of convergent interviews, it is recommended (Miles & Huberman 1994; Neuman 1994; Yin 1994) and is considered necessary for PhD research that aims to contribute and develop the existing body of knowledge. Moreover, prior theory helps frame the research effectively and identify direction for the research implementation.

In particular, prior theory contributed in several ways to this research. Firstly, it provided a foundation of relevant literature on customer contact service and database marketing. This foundation was essential for identifying gaps in academic knowledge and for the development of the new theoretical framework and six research issues. In turn these research issues provided guidance on relevant data collection and analysis techniques (Robson 1993; Yin 1994). Furthermore, prior theory provided insights into the best method of approaching, recording and analysing the interviews (Dick 1990). The impact of prior theory on this research is discussed in greater detail in Section 4.3.1.

3.5 Implementation of interviews

To seek feedback on the new theoretical framework developed in Section 2.7.2, convergent interviews were conducted with nine industry experts. These experts were consultants or suppliers to organisations involved in delivery of customer service activities, as summarised in Table 3.1. This section describes the processes of these convergent interviews ranging from sample selection, data collection and, finally, the process of data analysis and conclusions.
Table 3.1  Participants of stage 1 research – in order of interview sequence

<table>
<thead>
<tr>
<th>Convergent Interviewee #</th>
<th>Type of expert</th>
<th>Location</th>
<th>Mode of contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Supplier</td>
<td>Brisbane</td>
<td>Face-to-face</td>
</tr>
<tr>
<td>B</td>
<td>Supplier</td>
<td>Sydney</td>
<td>Telephone</td>
</tr>
<tr>
<td>C</td>
<td>Supplier</td>
<td>Melbourne</td>
<td>Telephone</td>
</tr>
<tr>
<td>D</td>
<td>Consultant</td>
<td>Melbourne</td>
<td>Telephone</td>
</tr>
<tr>
<td>E</td>
<td>Consultant</td>
<td>Brisbane</td>
<td>Face-to-face</td>
</tr>
<tr>
<td>F</td>
<td>Consultant</td>
<td>Brisbane</td>
<td>Face-to-face</td>
</tr>
<tr>
<td>G</td>
<td>Supplier</td>
<td>Melbourne</td>
<td>Telephone</td>
</tr>
<tr>
<td>H</td>
<td>Supplier</td>
<td>Melbourne</td>
<td>Telephone</td>
</tr>
<tr>
<td>I</td>
<td>Supplier</td>
<td>Sydney</td>
<td>Telephone</td>
</tr>
</tbody>
</table>

Source: developed for this research.

3.5.1 Sample selection

Steps were taken to ensure that the chosen sample was relevant to the needs of the research within the context of a small specialised population. The population was considered specialised because of the relatively new nature of the CCM industry. These conditions lent themselves to a purposive sampling rather than random sampling technique (Devers & Frankel 2000; Neuman 1994). Purposive sampling relies on the researcher accessing ‘information rich’ individuals who can provide in-depth insight into the research issues (Devers & Frankel 2000, p. 264). Indeed, the sample involved experts and not users because the researcher needed to ensure a good background into CCM was gained in this initial stage of the research. This background was considered essential in developing a sound basis for the stage two research which concentrated on users only. In purposive sampling the first interviewee is both knowledgeable in the area under investigation and has a good network to facilitate referrals to other potential interviewees (Nair & Riege 1995). In effect, this network connection uses a snowballing technique where the potential sample size grows with each new interviewee (Patton 1990). Despite the recommendation to interview people who do not know each other (Dick 1990) there was little risk of contaminating data through propinquity because of the professional
approach to the research and the ethics of the participants. Furthermore, the private nature of in-depth interviews lessened the chance of data contamination from what other experts thought, said or did as care was taken to not divulge what had occurred in previous interviews. Indeed, the specialist nature of the industry made it difficult to interview experts who had no knowledge of each other in a professional sense.

The sample size is not determined before the convergent interviewing process began because the content of the data gathered determined the number of interviews necessary (Dick 1990). That is, the number of respondents was considered sufficient when additional sample units do not offer new insights in addition to those already provided by previous respondents (Patton 1990), or when stability of the findings are reached (Nair & Riege 1995). This condition was acquired after five industry experts had been interviewed but a further four experts were interviewed for verification and triangulation (Carson et al. 2001).

Nine interviews were conducted for stage one of this research as noted above. Interviewees A, B, C, G, H and I were suppliers of physical CCM solutions to the industry, that is they implemented CCM in client organisations, as was illustrated in Table 3.1. Interviewees D, E and F were consultants providing expert knowledge to the services industry. The researcher identified the initial interviewees (A and B) through industry contacts and recognition of the interviewee’s expert knowledge in business and practitioner publications. In total, three interviewees were through the researcher’s contacts, two were through leads from the business press and four were from recommendations from interviewees. To the knowledge of the researcher all interviewees were independent of one another and did not share clients. Furthermore they were spread geographically between three Australian States. The diversity of experience, qualification and location of the interviewees contributed to the validity, representativeness and heterogeneity of the research process.
3.5.2 Data collection

The in-depth interviews were conducted in a series of steps (Dick 1990). These steps were separated into two parts, planning the interview and managing the interview, and are detailed below.

**Step 1: planning the interview.** Initial contact with the interviewees was made by telephone. The interviewer introduced herself and after providing an overview of the research task, asked for their cooperation in the form of an interview (Carson et al. 2001). A time, date and location for the interview was nominated. Interviewees were told that the interviews would go for approximately 60 to 100 minutes. The six interviewees who were not in the researcher’s immediate geographic area were interviewed by telephone with a copy of the new theoretical framework being sent to the interviewee by facsimile during the interview. The remaining three interviews took place at the interviewee’s place of work.

Before each interview, the researcher organised a fresh copy of the interviewer’s guide and data recording facilities comprising of pen and paper and a tape recorder. This interviewer’s guide was established through prior theory as detailed in Section 3.4 (Teale 1999). Whilst the frame of the interview guide remained constant, the sub questions used during each interview changed due to the evolutionary nature of convergent interviews described below. That is, the sub questions and probing technique took on a more focussed and structured approach as convergence developed and is reflected in the respondents answers. The basic frame of the interview guide was built around the six research issues and corresponding interview questions as shown in Table 3.2. Appendix A provides a copy of the interview guide.
Table 3.2  **Research issues and corresponding questions for convergent interviews**

<table>
<thead>
<tr>
<th>Research issues (i)</th>
<th>Question content (ii)</th>
<th>General area covered (iii)</th>
</tr>
</thead>
<tbody>
<tr>
<td>RI 3, RI 4</td>
<td>Q 1. What are your experiences and observations of customer contact service?</td>
<td>General observations</td>
</tr>
<tr>
<td>RI 3, RI 5</td>
<td>Q 2. Do you see contact points as a customer service strategy?</td>
<td>Service strategy</td>
</tr>
<tr>
<td>RI 1, RI 2, RI 3</td>
<td>Q 3. What do you think customer expectations are in this growth of customer contact points? Especially in terms of customer service.</td>
<td>Customer expectations</td>
</tr>
<tr>
<td>RI 2, RI 3</td>
<td>Q 4. Can you list the various customer contact points now available to customers? (unprompted)</td>
<td>Customer contact points</td>
</tr>
<tr>
<td>RI 1, RI 3</td>
<td>Q 5. What do you think of the concept of integrating customer contact points through the database?</td>
<td>Data integration</td>
</tr>
<tr>
<td>RI 4, RI 5</td>
<td>Q 6. What type of industries do you think might best be able to benefit/adapt to this service concept? (unprompted)</td>
<td>Relevance of CCM</td>
</tr>
<tr>
<td>RI 2, RI 3, RI 5, RI 6</td>
<td>Q 7. What are the issues hindering connecting customer contact points? (minimal prompting)</td>
<td>Implementation problems</td>
</tr>
<tr>
<td>RI 4, RI 6</td>
<td>Q 8. Within an organisation who is responsible (or which department) for co-ordinating customer contact management? (unprompted)</td>
<td>Responsibility for CCM</td>
</tr>
<tr>
<td>RI 1, RI 2, RI 3, RI 6</td>
<td>Q 9. Can you see companies benefiting from providing customised customer contact service through customer contact management?</td>
<td>Benefits of CCM</td>
</tr>
</tbody>
</table>

Source: developed for this research.

**Step 2: managing the interview.** Rapport was developed in the initial stages of each interview as recommended in qualitative research (Master 1999). This was an important step as it encouraged open participation, feelings of trust and legitimacy. The interviewer commenced with thanking the participation for their time and support and restated the aims of the interview/research. Each interviewee was assured of confidentiality but was made aware that the outcomes from the pool of collected data would be published in the researcher’s PhD thesis as well as research and conference papers. Interviewees were then asked if they would mind if the interview session was recorded. Finally, the interviewee was asked if they had any questions.
The commencement of the interview was signalled by an opening request that encouraged participation without placing boundaries on the response (Dick 1990). This opening request used was ‘Please tell me about your experience and observations about customer contact service’. This request was non-threatening, easy to answer and a starting point for discussion (Carson et al. 2001).

Further questions were then asked of each interviewee. A degree of preplanning had gone into these questions in the interviewer’s guide in appendix A. Whilst the interviewer’s guide provided the interviewer with some structure, the nature of in-depth interviews meant that the order and content of questions can change (Carson et al. 2001). In particular, the content of the interviews changed due to convergence. For example, focus on issues hindering CCM, question 7, became more apparent during the interview process. That is, this question was asked of all interviewees but the depth of the answer varied according to the amount of convergence the interviewer had previously gained on the question. In addition, probe questions were used throughout to encourage response. For example, questions such as ‘why is CCM a growth area?’, ‘how is CCM implemented?’, ‘when do you expect implementation to become more pervasive?’, were used to ascertain deeper understanding. Other sources of encouragement were in the form of eye contact, body language, seeking clarification, paraphrasing and use of pauses (Emory & Cooper 1991).

The interviewer was aware of the requirement to avoid bias throughout the interview process. This was addressed by the interviewer attempting not to interrupt the interviewee, not using leading questions and not expressing her opinion (Dick 1990, Wolcott 1990). Furthermore, the interviewer tape-recorded the interview to enhance the listening opportunities.

The interview was closed when the interviewees could not contribute any further to these issues as identified in Section 3.3. At this point the interviewee was thanked and reassured of confidentiality (Carson et al. 2001). Additionally the interviewees were
asked if there was any one else who may be able to assist as participants in the convergent interview process. Leads for stage two research were also sought.

### 3.5.3 Data analysis and conclusions process

After each interview the researcher recorded the findings in her research database. The research database is a summary of the outcomes during the interview process and is structured according to the interview guide. During the recording of these outcomes the researcher applied an interpretative process. This interpretative process is cyclic and involves the comparison of each interview with the previous interview (Rao & Perry 2003). In addition a priority rating of the issues raised in the interview is developed (Carson et al. 2001). A progressive summary report was then made with particular attention paid to areas of agreement and disagreement (Nair & Reige 1995). This process led to a continual modification of the report and research database as new issues emerged. An aim of this interpretative process was to reduce the mass of data gathered by allowing the major themes to emerge. Furthermore, the development of matrices that highlight the main issues and agreements and disagreements for each interview is developed (Carson et al. 2001; Teale 1999; Woodward 1996). These matrices are displayed in Tables 3.3 to 3.11 and are discussed in more detail in Section 3.6.

### 3.6 Analysis of convergent interviews

Nine convergent interviews were undertaken for stage one research, as noted above. Convergence was actually achieved after five interviews. That is, no new information was evident from the interviews after interviewee five and patterns from the interviewee responses were clear and consistent. However, data from the additional interviews was used for triangulation of earlier interview data. The outcomes of these interviews are now summarised below.

**Observations of customer contact service** (Table 3.3). The first question in each interview was intentionally broad to develop a connection with each respondent (see Table 3.2 column ii, question 1). In addition this question gave control to the respondents
to share their experiences of customer contact service from both an organisation’s perspective and a consumer’s perspective as shown in Table 3.3. Despite the positive prospects delivered by customer contact service, most (eight) respondents felt that organisation’s had room for improvement when it came to customer contact management. ‘Customer contact service is badly done’ (Interviewee B). However, it was thought organisations are becoming more sophisticated with service provision with interviewee A stating ‘Customer service is becoming a lot more sophisticated and complex’. One reason for problems with customer contact service were the need for organisations to take a longer-term and single view of the consumer. ‘Aim is to get a single view of the customer regardless of the touch point …. separation between departments makes it difficult to see a customers worth’ (interviewee E). In addition, broader organisational requirements were considered to be an issue with recognition of the systems wide impact of CCM as evidenced in the following comments. ‘This is no longer just a technology issue’ (interviewee I). ‘Rapidly changing area, it is now very much a systems approach’ (interviewee C)

### Table 3.3 Observation of customer contact service

<table>
<thead>
<tr>
<th>Interviewees (in order interviewed)</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q 1. What are your experiences and observations of customer contact service?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Organisations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Room for improvement</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>8</td>
</tr>
<tr>
<td>Longer term view of the consumer</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>7</td>
</tr>
<tr>
<td>Increased complexity of data</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>6</td>
</tr>
<tr>
<td>Increase in sophistication of service</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>6</td>
</tr>
<tr>
<td>Error prone</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>Self serving</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>2</td>
</tr>
<tr>
<td>b) Consumers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>More flexibility offered</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>9</td>
</tr>
<tr>
<td>Better communication</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>5</td>
</tr>
<tr>
<td>Confusion &amp; cynicism</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
</tbody>
</table>

Note: ✓ = information provided by participant; - = respondents response did not fit into this category
Source: developed for this research.

All interviewee’s agreed that more flexibility is starting to be offered by organisations to consumers in terms of customer contact service. ‘Customers do want a variety of contact points
and flexibility’ (interviewee F). This flexibility is being brought about by the growth in customer contact points as well as better access to service opportunities. ‘Multiple points of contact can lead to enormous frustration …. automated systems are supposed to offer greater efficiency but cannot offer the human aspects of service’ (interviewee D). The majority (five) of respondents felt that this flexibility in customer contact service provided better communication opportunities with customers. ‘Can’t truly relate and interface to the customer unless you record {and have access to} every contact you have with them’ (interviewee G)

In summary, industry experts have observed a changing reality in customer contact service with many opportunities for improvement.

**Service strategy** (Table 3.4). The second question was about service strategy (see Table 3.2, column ii, question 2). There was strong support from all respondents that CCM was an essential part of an organisation’s customer service strategy as shown in Table 3.4.

‘There is little differentiation between many products and services – this adds value’ (interviewee E). ‘find out who are the most valuable customers and provide better service to them …. issues such as price sensitivity aren’t important’ (interviewee H).

Table 3.4 **Service strategy and customer contact service**

<table>
<thead>
<tr>
<th>Interviewees (in order interviewed)</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Q 2. Do you see contact points as a customer service strategy?</strong></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>9</td>
</tr>
<tr>
<td><strong>a) Reasons</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ Customise according to needs</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>7</td>
</tr>
<tr>
<td>▪ Part of service growth</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>7</td>
</tr>
</tbody>
</table>

**Key:** ✓ = information provided by participant; - = respondents response did not fit into this category

Source: developed for this research.

Indeed most (seven) respondents considered customer contact management a mandatory component of service growth. ‘Tracking contact is definitely part of service growth’ (interviewee A). ‘companies who are not thinking of moving to numerous contact points will miss the boat’ (interviewee F). Additionally, seven respondents thought customer service strategy was driven by the desire and need to customise service according to individual customer needs. ‘Must learn from previous transactions’ (interviewee B). ‘trying to simulate a one to one relationship’ (interviewee G)
Essentially customer contact service is a necessary part of customer service that if done well can provide an opportunity for organisations to provide added value and differentiation.

**Customer expectations** (Table 3.5). The third question was about customer expectations (see Table 3.2, column ii, question 3). All respondents stated that customers expect increased service options including 24 hours a day 7 days a week access to organisations through more contact points as shown in Table 3.5. ‘Consumers expect more options’ (interviewee C). ‘consumers expect to be able to deal seamlessly … through different touch points’ (interviewee E). In addition, many (six) respondents purported that high value sophisticated customers either expect individual tailoring of customer service to their needs and/or are delighted by such tailoring. ‘Sophisticated consumers get annoyed and offended by the wastage of irrelevant communication’ (interviewee B) and ‘consumers don’t expect customisation but are delighted when it happens’ (interviewee F)

Table 3.5  **Customer expectations of customer contact service**

<table>
<thead>
<tr>
<th>Interviwees (in order interviewed)</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q 3. What do you think customer expectations are in this growth of customer contact points? Especially in terms of customer service.</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>9</td>
</tr>
<tr>
<td>24/7 access for some service/more options</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>9</td>
</tr>
<tr>
<td>Sophisticated consumers expect/delighted with tailoring/recognition</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>6</td>
</tr>
</tbody>
</table>

Key: ✓ = information provided by participant; - = respondents response did not fit into this category

Source: developed for this research.

In brief, it was revealed that integrated customer contact service is in early stages of development and whilst consumers may not yet expect such tailored contact service, an opportunity exists as part of a competitive strategy to satisfy sophisticated and high value customers.
Customer contact points (Table 3.6). The fourth question was about customer contact points (see Table 3.2, column ii, question 4). Six customer contact points were identified by participants (unprompted) as shown in Table 3.6. The four most commonly mentioned contact points were face-to-face, email, telephone and websites. Wireless technology/mobile staff and the mail were less commonly mentioned. Two respondents, B and F did not express an opinion on this matter, despite persistent questioning by the researcher, because they became sidetracked on the issue.

Table 3.6 Relevant customer contact points

<table>
<thead>
<tr>
<th>Interviewees (in order interviewed)</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q 4. Can you list the various customer contact points now available to customers? (unprompted)</td>
<td>✓</td>
<td>n/r</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>n/r</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>7</td>
</tr>
<tr>
<td>Face-to-face</td>
<td>✓</td>
<td>n/r</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>n/r</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>7</td>
</tr>
<tr>
<td>Email</td>
<td>✓</td>
<td>n/r</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>n/r</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>7</td>
</tr>
<tr>
<td>Telephone</td>
<td>✓</td>
<td>n/r</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>n/r</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>7</td>
</tr>
<tr>
<td>Websites</td>
<td>✓</td>
<td>n/r</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>n/r</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>7</td>
</tr>
<tr>
<td>Mail</td>
<td>✓</td>
<td>n/r</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>n/r</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>7</td>
</tr>
<tr>
<td>Wireless technology/mobile staff</td>
<td>✓</td>
<td>n/r</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>n/r</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>4</td>
</tr>
</tbody>
</table>

Key: ✓ = information provided by participant; - = respondents response did not fit into this category; n/r = respondent did not express an opinion on this matter.
Source: developed for this research.

Data integration (Table 3.7). The fifth question was about data integration (see Table 3.2, column ii, question 5). All respondents felt the concept of integrating customer points through the database was definitely possible for organisations as shown in Table 3.7. ‘Need integration and the right process’ (interviewee D). However, all but one respondent felt there were few companies integrating customer contact points at a consistent level because of the involved process. ‘It is possible right now – but with various challenges’ (interviewee E). When questioned further this one respondent was unable to confidently cite a company who had successfully implemented integration. Only two respondents dwelt on the questionable practicality of full integration by mooting the possibility of a concept that sounded good in theory but difficult to execute. ‘This is where we are headed but in practice it is difficult’ (interviewee G). However, most respondents (six) felt that the organisations would only see the benefit in integrating the data for high value customers only with stating CCM is ‘probably not worth it for small customers’ (interviewee F). Finally, the
majority of respondents (six) felt organisations could integrate contact points with relative success but needed to be shown the value of integration before they could progress further with its implementation. ‘The technology and know how is available but not utilised’ (interviewee B). ‘won’t work if it is just up to IT and the Board – must include marketing’ (interviewee C)

Table 3.7  Data integration of customer contact points

<table>
<thead>
<tr>
<th>Interviewees (in order interviewed)</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q 5 What do you think of the concept of integrating customer contact points through the database?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ Definitely possible</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>▪ Few companies doing it well</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>▪ Involved process</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>▪ Only worthwhile for high value customers</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>▪ Companies need to be shown the value</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>▪ Sounds good in theory only</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td></td>
</tr>
</tbody>
</table>

Key: ✓ = information provided by participant; - = respondents response did not fit into this category
Source: developed for this research.

In summary, whilst many organisations desire integration of contact points, there are concerns regarding its value. In particular, the issue of implementing CCM for high value customers only was raised.

Relevance (Table 3.8). The sixth question was about relevance of CCM (see Table 3.2, column ii, question 6). Over half of the respondents explicitly stated that all industries, particularly service industries, could benefit from the integration of customer contact points (responses were unprompted) as shown in Table 3.8. Furthermore, financial institutions were nominated by all respondents followed by airlines. Next most popular were insurance, hospitality, grocery, vehicle manufacturers and telco’s with 7 respondents nominating each of these industries. Next, with six nominations each were government, retail and the healthcare industries. The reasons these industries were nominated were because they operate in competitive environments where customer service is seen as an important component in the market offerings.
Table 3.8  Relevant industries for CCM

<table>
<thead>
<tr>
<th>Interviewees (in order interviewed)</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q 6. What type of industries do you think might best be able to benefit/adapt to this service concept? (unprompted)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td>9</td>
</tr>
<tr>
<td>Airlines</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>8</td>
</tr>
<tr>
<td>Insurance</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>7</td>
</tr>
<tr>
<td>Hospitality</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>7</td>
</tr>
<tr>
<td>Grocery</td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>7</td>
</tr>
<tr>
<td>Motor vehicle</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>7</td>
</tr>
<tr>
<td>Telco’s</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>7</td>
</tr>
<tr>
<td>Government</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>6</td>
</tr>
<tr>
<td>Retail – books; stationary</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>6</td>
</tr>
<tr>
<td>Healthcare</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>6</td>
</tr>
<tr>
<td>All industries</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>5</td>
</tr>
</tbody>
</table>

Key: ✓ = information provided by participant; - = respondents response did not fit into this category
Source: developed for this research.

Implementation problems (Table 3.9). The seventh question was about implementation problems (see Table 3.2, column ii, question 7). All respondents nominated commitment by top management, the organisation’s culture and systems to be reasons that hinder the integration of customer contact points in delivering customer contact management (minimal prompting) as shown in Table 3.9. ‘Egos, attitudes, politics and culture’ (interviewee I).

This commitment was followed closely by the issue of resources (eight respondents). Another 12 issues were raised as shown in Table3.9 including six respondents raising concerns over the enormity of the required change, possible reluctance for departments to share information and the current structure of companies. ‘Departments are in competition with one another or have no time for one another’ (interviewee B). ‘all departments need to change for a true customer focus’ (interviewee E). Five respondents mentioned problems with finding knowledgeable staff to implement the strategy, the complexity and length of the change process and client companies being unclear as to what customer service strategy they are following. For example, interviewee H mentioned ‘it is a whole new way of thinking about your customer’. Very few participants thought that implementation was hindered through customer resistance (three), lack of needs (three) or benefits (two). Finally, two respondents felt that their client companies were unwilling to pioneer such a change.
In summary, the barriers to implementation of CCM as identified by the respondents are detailed above. Further research in the field is required to assess these issues further.

Table 3.9  **Implementation issues for CCM**

<table>
<thead>
<tr>
<th>Interviewees (in order interviewed)</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q 7. What are the issues hindering connecting customer contact points? (minimal prompting)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commitment by management</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>9</td>
</tr>
<tr>
<td>Culture</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>9</td>
</tr>
<tr>
<td>Technology/systems</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>9</td>
</tr>
<tr>
<td>Resources</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>8</td>
</tr>
<tr>
<td>Too big a change</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>6</td>
</tr>
<tr>
<td>Issues of information sharing</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>6</td>
</tr>
<tr>
<td>Structure of the company</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>6</td>
</tr>
<tr>
<td>Knowledgeable staff</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>5</td>
</tr>
<tr>
<td>Too lengthy a process</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>5</td>
</tr>
<tr>
<td>Company too big or complex</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>5</td>
</tr>
<tr>
<td>Unclear strategy</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>5</td>
</tr>
<tr>
<td>Staffing to implement concept</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>5</td>
</tr>
<tr>
<td>No perceived need</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>Customer resistance</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>Unwilling to be a pioneer</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>Costs outweigh benefits</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>2</td>
</tr>
</tbody>
</table>

**Key:** ✓ = information provided by participant; - = respondents response did not fit into this category

Source: developed for this research.

**Responsibility for CCM** (Table 3.10). Question eight was about the responsibility for CCM (see Table 3.2, column ii, question 8). Top management was nominated by all respondents to be the responsible party for the coordination of customer contact management as shown in Table 3.10. The next common nomination was the Marketing Department with four nominations whilst some (three) respondents felt that the coordination or CCM best be handled through the introduction of a new unit or position within the organisation. Less common responses included outside consultants (two) channel management (one) and administration or finance (one). These less common responses may reflect the specialisation that each of the participants brought to the interview.
Table 3.10  Responsibility for CCM

<table>
<thead>
<tr>
<th>Interviewees</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q 8. Within an organisation who is responsible (or which department) for co-ordinating customer contact management? (unprompted)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ Top management</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>9</td>
</tr>
<tr>
<td>▪ Marketing</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>9</td>
</tr>
<tr>
<td>▪ New unit/position</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>3</td>
</tr>
<tr>
<td>▪ Outside consultant</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>2</td>
</tr>
<tr>
<td>▪ Channel management</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>1</td>
</tr>
<tr>
<td>▪ Administration/finance</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>1</td>
</tr>
</tbody>
</table>

Key: ✓ = information provided by participant; - = respondents response did not fit into this category
Source: developed for this research.

Benefits of CCM (Table 3.11). The last question was about the benefits of CCM (see Table 3.2, column ii, question 9). The final aspect covered with the industry experts concerned how companies may benefit from providing customised customer contact service through CCM. All respondents gave positive answers indicating that interactions with customers would be more knowledgeable through the access of information as shown in Table 3.11. ‘More consistent and knowledgeable contacts with staff’ (interviewee A). This access in turn would lead to less wasted effort and the projection of a more consistent image (five respondents. ‘Less wastage, more tailored service and product, happier customers’ (interviewee B) ‘help build brand value and shift focus from price etc’ (interviewee H). Finally most (seven) participants stipulated that successful implementation of CCM would lead to happier customers.

Table 3.11  Benefits of CCM

<table>
<thead>
<tr>
<th>Interviewees</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q 9. Can you see companies benefiting from providing customised customer contact service through customer contact management?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ More knowledgeable interactions</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>8</td>
</tr>
<tr>
<td>▪ Less wastage</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>7</td>
</tr>
<tr>
<td>▪ Happier customers</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>7</td>
</tr>
<tr>
<td>▪ More consistent image</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>5</td>
</tr>
</tbody>
</table>

Key: ✓ = information provided by participant; - = respondents response did not fit into this category
Source: developed for this research.
The responses raised in this Section 3.6 confirm the validity of the research topic by illustrating various benefits and issues facing organisation who successfully implement CCM. In addition, these convergent interviews provided background information on the six research issues and helped clarify the required content for the case interviews for stage two research. As a result of the convergent interviews the theoretical framework developed in Section 2.7.2 was amended to incorporate the notion of providing customised customer service through CCM only to high value customers. Therefore Box D of the theoretical framework, potential for customised communication, has had the word ‘for high value customers’ added, as illustrated in the amended theoretical framework in Figure 3.3. This was the only change to the theoretical framework which was then carried through as an issue for further exploration in the case interviews.

**Figure 3.3  Amended theoretical framework incorporating high value customers**

Source: developed for this research.
3.7 Conclusions

This chapter examined and outlined the convergent interview process that was followed in stage one of this research. The data gathered through the convergent interviews were then reported and analysed in preparation for the pilot study and stage two of the research. The next chapter details the methodology used for stage two of this research.
Chapter 4  Stage two methodology: case research

4.1  Introduction

Chapter 3 examined the convergent interviewing process of stage one data collection and reported and analysed the outcomes of this convergent interviewing process. In turn, this next chapter develops the case research methodology for the main second stage of data collection. The chapter has nine sections, as outlined in Figure 4.1. The chapter starts with a justification of the realism paradigm (Section 4.2). Next, case research methodology is discussed including the role of prior theory (Section 4.3), followed by the research design (Section 4.4) and the selection of multiple cases (Section 4.5). Research implementation is then discussed including data collection technique and tools (Section 4.6), and method of case analysis (Section 4.7). Finally, ethical considerations (Section 4.8) and limitations (Section 4.9) for this stage two research are identified.

Figure 4.1  Outline of chapter with section interrelationships and numbers noted

Source: developed for this research.
4.2 Justification of the realism paradigm

Realism was the paradigm used for this research because it suits the nature of customer contact management and the research objectives. That is, customer contact management is a relatively new concept and accordingly requires a research paradigm that aids theory building like realism (Borch & Arthur 1995). Furthermore, realism suits this research project as it takes place in a complex organisational setting populated by social beings who are able to provide the researcher insights into their real world experiences of customer contact management (Guba & Lincoln 1994). This complexity lends itself to triangulation, another feature of the realism paradigm used in this research on customer contact management. However, before further justification of the realism paradigm is provided, an overview of the other research paradigms is necessary.

Indeed, there is debate about different research paradigms or methods of investigation for research into the marketing discipline (Easterby-Smith, Thorpe & Lowe 1991). Essentially there are four alterative research paradigms: positivism, critical theory, constructivism and realism (Guba & Lincoln 1994; Perry, Riege & Brown 1999). These research paradigms can be evaluated according to three assumptions about each as presented in Table 4.1. One assumption concerns the paradigm’s ontology, that is, the basic belief regarding the nature of the reality being researched (Parkhe 1993). The ontology of this research is, by nature of the early developmental stage of CCM, still in its formative stages. Thus the nature of reality being researched is complex and leads to triangulation. A second assumption of research paradigm concerns the epistemology - the relationship between reality and the researcher (Deshpande 1983). In terms of this research the epistemology is evident by the researcher wanting to participate in the gathering of information about customer contact management but with a degree of objectivity. The final assumption concerns the methodology - how the research should be undertaken through suitable research techniques and tools (Easterby-Smith, Thorpe & Lowe 1991). The early nature of customer contact management coupled with the need for objective but insightful data lead the researcher to consider the realism paradigm in
terms of methodological requirements. These three assumptions are addressed next in further exploration of each of research paradigms.

Table 4.1 **Alternative research paradigms**

<table>
<thead>
<tr>
<th></th>
<th>Positivism</th>
<th>Critical theory</th>
<th>Constructivism</th>
<th>Realism</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ontology</strong></td>
<td>naïve realism: reality is real and independent of the researcher</td>
<td>historical realism: reality is shaped by various forces such as social, cultural, gender; the perceptions of the researcher is emancipated</td>
<td>relativism: reality is constructed (by people and the researcher)</td>
<td>critical realism: reality is real but imperfect; human limitations and complexity of the situation lends itself to triangulation</td>
</tr>
<tr>
<td><strong>Epistemology</strong></td>
<td>objectivist: true findings gathered through disinterested scientist</td>
<td>subjectivist: value mediated findings</td>
<td>subjectivist: passionate participant creating the findings</td>
<td>modified objectivist: researcher has some participation but maintains some objectivity and awareness of values</td>
</tr>
<tr>
<td><strong>Methodology</strong></td>
<td>experiments/ surveys: verification of hypotheses using mainly quantitative methods</td>
<td>dialogic/ dialectical: researcher is transformative using action research</td>
<td>hermeneutical/ dialectical: researcher is a passionate participant using action research and in-depth structured interviews</td>
<td>case studies/ convergent interviews: mainly qualitative techniques; triangulation; interpretation of issues</td>
</tr>
</tbody>
</table>

Source: based on Guba & Lincoln (1994); Perry, Riege & Brown (1999); Christie, Rowe, Perry & Chamard (2000).

**Positivism** uses the traditional scientific method of research and assumes that phenomena can be objectively examined and measured without using subjective interpretation (Easterby-Smith, Thorpe & Lowe 1991; Gabriel 1990; Hunt 1993). Positivists use research to seek facts and causes of phenomena through explaining, predicting and controlling variables in order to discover the true nature of reality (Deshpande 1983; Leong 1985; Tsoukas 1989). This ontology of reality means that the researcher is separate and independent of the phenomena being researched in an attempt to eliminate the values and biases a researcher might bring to the process (Guba & Lincoln 1994; Kaplan 1986). The methodological implications of positivistic ontology are that objective
quantitative techniques such as experiments and surveys are employed for theory testing enabling generalisations of the findings to the greater population (Guba & Lincoln 1994; Tsoukas 1989).

Positivism was ill suited to this research. The need to understand the practice of customer contact management makes theory testing inappropriate because of the need for this research to incorporate a deep understanding of people’s experience and opinions. That is, positivism was not suitable for this research involved with discovering elements that drive behaviour (Master 1999; Teale 1999). In addition, the theory related to the practice of customer contact management is scant, making positivism untenable as positivism is more suited to theory testing than theory building (Deshpande 1983; Guba & Lincoln 1994).

The next paradigm of critical theory is a paradigm that views reality as shaped by social, political, cultural, economic and/or gender values that alter over a period of time, that is, critical theory is historical realism (Perry, Riege & Brown 1999). Researchers using critical theory intervene in the transformation of the mental, emotional and social structures of respondents and therefore often involve long-term ethnographic and historical research into organisational process and structure (Guba & Lincoln 1994; Christie et al. 2000). This transformational nature of critical theory means that the researcher is an active participant in the research process whose interactive role is value dependent and interpretative (Anderson 1986). However, critical theory was not a suitable paradigm for this research as the aim was to understand the practice of customer contact management rather than change the perceptions of people who did it.

Thirdly, constructivism considers reality a result of an individual’s beliefs or values and rejects the concept of objective reality, that is, reality is relative (Anderson 1986; Perry, Riege & Brown 1999). In other words truth is constructed by an individual and subjective bases leading to ‘multiple realities’ (Hirschman 1986; Perry, Riege & Brown 1999, p. 18; Teale 1999). Like critical theory, constructivism is interested in understanding values and ideologies beneath the surface of the findings. Thus the findings are created by the
interactions between the researcher and other participants through a variety of methods including in-depth interviews, dialogue and action research (Batonda 1998; Guba & Lincoln 1994;).

Constructivism was not a suitable paradigm for this research because the scope of this research went beyond social subjective phenomena. In understanding customer contact management this research was interested in how organisations use information from database marketing for customer contact service which involves a degree of objectivity which is not addressed by constructivism (Master 1999). This lack of objectivity is reinforced by critics of constructivism who assert that focus is put on the external market rather than issues within the organisation (Gummesson 2000). In addition, this research aimed to understand why certain aspects of customer contact management exist rather than explore people’s perceptions of it.

Finally, realism paradigm’s ontology recognises that an understanding of an external reality can be attained, albeit imperfectly (Guba & Lincoln 1994; Merriam 1988; Tsoukas 1989). This imperfection is due to the researcher’s limited mental capacity to comprehend the complexity brought about by the multitude of perspectives with which the external reality has to be explored (Cook & Campbell 1979; Merriam 1988; Perry, Riege & Brown 1999). In other words, there is a difference between the researcher’s perspective on reality and reality in itself, leading to the need for triangulation (discussed in Section 4.4) of evidence to gain better, but shared, understanding of the phenomena (Orlikowski & Baroudi 1991; Perry, Riege & Brown 1999). More specifically, the realist interprets the world according to three domains of reality, that is, the realism domain, the actual domain and the empirical domain.

The realism domain consists of the processes produced by independent mechanisms that result in observable events and patterns of events in given conditions. The actual domain is where events occur even though they may not be observable; and the empirical domain is where patterns of events can be observed by direct observation (Christie et al. 2000; Tsoukas 1989). Discovery is achieved by identifying and describing the generative
mechanisms or causal tendencies that result in the empirical observation of events (Tsoukas 1989; Ragin 1999). To this end, this research developed knowledge of the natural and social experiences of customer contact management (Outhwaite 1983) in order to understand deeper issues and meanings. Examples of these three domains relating to this research are: The real domain involving individual mechanisms – customer enquiries; the observable events – conversations that occur between customers and staff; patterns of events – call transfer and/or transfer of records. The action domain – the potential frustration experienced by a customer during the CCM process. The empirical domain – the loss or retention of individual customers as the result of the CCM process.

In brief, realism was the appropriate paradigm for this research. Customer contact management in an organisational setting is a complex and social phenomenon that requires triangulation of various sources of evidence (Outhwaite 1983). Furthermore realism is appropriate for investigations that are pre-paradigmatic in nature and require a basis for theory development (Borch & Arthur 1995). These reasons for realism along with other issues are addressed in more detail next with specific reference to case research methodology.

4.3 Case research methodology

This section defines and analyses case research methodology as part of the realism paradigm that was used for stage two of this research. There are several definitions of case studies. For example, case studies are dynamic (Bonoma 1985; Eisenhardt 1989; Yin 1994), occur within a real life context (Merriam 1988; Lofland 1971; Yin 1994;), provide rich information from a variety of sources (Chetty 1996; Gable 1994; Kaplan 1986) and afford descriptive analysis (Bonama 1985; Merriam 1988; Yin 1994). Case research has been accepted for some time in applied research areas such as education, social work and administration (Merriam 1988) as well as being extended to other applied situations of marketing and management (Carson et al. 2001; Teale 1999). Synthesising the literature of case research, a definition adopted for this research is provided below:
Case research is an investigation of a contemporary, dynamic phenomena and its emerging (rather than paradigmatic) body of knowledge; within the phenomenon’s real-life context where the boundaries between the phenomenon and context under investigation are unclear; when explanation of causal links are too complex for survey or experimental methods so that single, clear outcomes are not possible; using interviews, observation and other multiple sources of data (Perry 2001, pp. 5-6).

This definition was relevant for this research because the phenomenon of customer contact management is a specific aspect of practical business experience. More specifically this research addresses the need for richer understanding of information technology and marketing (Coviello, Milley & Marcolin 2001). Furthermore a variety of data sources were able to be used by the researcher within the business settings including in-depth interviews, documents and observation. In addition, the aim of this research was to gain an in-depth appreciation of customer contact management in order to build theory.

The use of case research methodology is valid for four reasons. The first reason is the pre-paradigmatic nature of customer contact management (Borch & Arthur 1995). Customer contact management is in the early stages of theory development because as a phenomenon it is not yet fully understood. This tenuous understanding provides opportunity for case research to uncover informed findings to pave the way for theory building. Indeed, given the research circumstances, alternative non-qualitative methodologies may produce questionable data (Parkhe 1993) and so qualitative case research is appropriate (Eisenhardt 1989). The second reason supporting case methodology is the nature of the research problem or question (Yin 1994). Theory building requires exploratory research with research questions that focus on ‘how’ and ‘why’ (Perry 2001). ‘How’ and ‘why’ questions involve exposure to deep insights relating to events and practice. For example, ‘how’ do companies manage CCM at present and ‘why’ would they dedicate resources towards improving or changing their CCM processes.

Thirdly, in such contemporary and dynamic investigation as proposed in this research, the researcher has little control over behavioural events further reinforcing the
appropriateness of case research method (Bonoma 1985; Yin 1994). Indeed, the various types of research problems impact on the requirement for control over behavioural events and subsequent selection of research methodology. For example, both experimental and case research are designed to answer ‘how’ and ‘why’ questions but if behavioural events cannot be controlled, as in this case, then experimental research is inappropriate.

The final reason for using the case research methodology is contemporary events. As mentioned before, in this research experiments were not suitable as it would be too difficult to control the practice of customer contact management within an organisational setting. Furthermore, surveys were inappropriate as their focus is on measuring behavioural events rather than developing an in-depth description and explanation of them. That is, a more flexible tool was required than surveys for this research so that probing of the situation can occur to aid the discovery of the how and why of customer contact management. In addition the contemporary nature of this research meant the alternative of archival research was not the most appropriate method, likewise, the alternative of historical analysis was also ill suited (Yin 1994).

In brief, case research method was appropriate for this research as it enabled the examination of ‘how’ and ‘why’ research questions relevant to contemporary events and in an environment where the controllability of the research setting is not paramount.

4.3.1 Levels of prior theory in stages one and two

Chapter 2 outlined the prior theory used in the case research methodology that was relevant to the synthesis of customer contact services and database marketing. This prior theory played a role in the development of the original theoretical framework and stage one data collection using convergent interviews as outlined in Chapter three. This section now details the role and development of prior theory in this research and its application to the design of case research method. Prior theory had a role in the study in the following ways: prior theory provided focus for the literature review and synthesis; provided a base for the conceptual and theoretical frameworks and subsequent research issues; gave a platform for the interviewer’s guide; and suggestions for the overall research design and
data collection (Christie et al. 2000; Lincoln & Guba 1985; Miles & Huberman 1984; Yin 1993).

There is controversy about the role prior theory can play in case research and theory building. On the other hand, pure inductive theory building can assume theoretical constructs are developed through the collection of primary data and therefore prior theory is considered to have no role in the research (Eisenhardt 1989; Parker & Roffey 1994). However, other researchers acknowledge that prior theory has a place in case research (Miles & Huberman 1994). Indeed this research was not purely inductive and lies somewhere between pure exploratory/induction and the deductive approach (Perry 1998). To this end, the concepts of induction and deduction can be viewed on a continuum (Perry 2001; Teale 1999). Pure induction, also known as grounded theory, emphasises theory building solely from primary data and is situated at one extreme of the continuum (Glaser & Strauss 1967). At the other extreme of this continuum lies pure deduction, also known as logico-deductive theory, whose focus is primarily testing existing theory (Yin 1993).

Thus, in this research it was inappropriate and difficult to ignore prior theory entirely and a blend of induction and deduction was achieved as illustrated in the top section of Figure 4.2 with the position of this research indicated in bold type. Indeed, this blend of induction and deduction was used for theory building in this research and will now be explained in more detail through the description of Figure 4.2.
Prior theory by its nature will impact research and is a useful source of evidence to aid with triangulation (Eisenhardt 1989; Strauss 1987). That is, whilst primary data was used to develop theory, existing theories from the literature were used to assist development of the theoretical framework and subsequent new theory.

More specifically, prior theory was used in both stages one and two of this research, as was illustrated in Figure 4.2. Stage one research involved undertaking nine convergent interviews with suppliers and consultants to the Australian customer service/database
industry. The outcomes of the convergent interviewing process, coupled with prior theory gained through the literature, culminated with one pilot case study to help develop the interviewer’s guide and data collection technique for stage two research (Section 4.6).

The one pilot study in level three aided the development and refinement of the interview questions for stage 2 of the research design. These interview questions were developed out of prior theory, literature, and data gathered through the convergent interviews (stage 1). For example, content, structure and sequence of questions were assisted by the pilot study. That is, the pilot study enabled the trial of the interviewer’s guide resulting in ironing out potential problems with content, structure and procedure (Yin 1994). In addition the pilot study helped clarify how the findings of stage two may be presented and analysed (Perry 2002). Furthermore, the process of conducting the pilot study contributed to reliability and validity of stage two (4.4). The pilot study organisation and interviewees were chosen as a result of a referral from a participant in stage one research and for their experience and exposure to the concept of customer contact management as well as their willingness to be interviewed at a location convenient to the researcher (Yin 1994). The interviewees resulted in confirmation of the theoretical framework as well as minor changes to the interviewer’s guide. These alterations consisted of a change in order of some questions, clarification of some terminology used and the length of the guide overall. The final interviewer’s guide is located in appendix B.

Stage two research was confirmatory/disconfirmatory in nature and is denoted on the right hand side of Figure 4.2, level 5. Stage two research involved nine cases that were aimed at exploring the five research issues identified in Section 2.17. This phase of the research enabled the generation of new theory through cross-case data analysis (Perry 1998). The next section explains how the findings of this research were based on sound methodological principles and practice.

4.4 Criteria for judging quality

In the past, qualitative methodologies have been questioned in terms of the quality of their findings (Gabriel 1990). This section explains how the case research and convergent
interviewing processes used in this research were conducted to achieve reliability as well as construct, internal and external validity. Further procedures to ensure the validity of data collection are discussed later in Section 4.6. However, this section now discusses measures traditionally associated with quantitative research although several authors have shown that the qualitative techniques can provide findings of a standard akin to those found with quantitative research (for example Dick 1990; Eisenhardt 1989; Healy & Perry 2000; Hirschman 1986; Miles & Huberman 1994; Nair & Riege 1995; Patton 1990; Yin 1994). Moreover, four tests that are comparable to the concepts of reliability and validity are used for determining and evaluating quality in qualitative research, these are credibility, transferability, dependability and confirmability (Lincoln & Guba 1985; Reige & Nair 1996). With the increased acceptance of case research, criteria specific to judging realism have been mooted. In short eight measures of quality were used for this research. These measures are construct validity; internal validity; external validity; reliability; confirmability; credibility; transferability and dependability. These eight measures are now individually discussed in more detail.

Construct validity is concerned with what is actually being measured – that is, it aims for the research to be operationalised (Cooper & Emory 1995; Malhotra 1996; Sekaran 1992). In order to achieve operationalisation, construct validity recommends the use of various activities to ensure that the research instruments measure what they purport to (Yin 1993). For case research these three activities are: multiple sources of data to establish triangulation; a chain of evidence in data collection; and reviews of draft write up of data analysis and reports by key parties (Yin 1994). These three activities are discussed next.

Firstly, triangulation is the process of using more than one method of data collection in an effort to understand a situation more completely than when using a solitary method or source of data (Burns 1999; Flick 1992; Miles & Huberman 1994). Triangulation is used because dependence on only one method can create bias and misinform the researcher. Accordingly multiple sources of data deliver stronger support for the research findings and hence generalisability (Bonoma 1985). In this research triangulation was used to
verify data by using a variety of data sources including in-depth interviews, documents from research participants and observation. These multiple data sources are discussed in more detail in Section 4.6. Further triangulation was gained through meetings with the academic supervisors of the researcher and other academic colleagues. The aims of these meetings were to ensure that the analysis and findings were unambiguous and insightful. Finally, the in-depth interviews were voice recorded for cross-validation purposes in the analysis stage (Burns 1999; Patton 1990).

Secondly, a chain of evidence was developed to further contribute to construct validity. This chain of evidence was established through keeping meticulous records of the data collection process by the application of a structured interviewer’s guide (appendix B), recording verbatim content of the in-depth interviews and thorough notes of observations (Hirschman 1986; Yin 1994). This chain of evidence facilitated the data analysis stage by providing identifiable data sources which could be cross-checked and cited where appropriate.

Thirdly, two academic supervisors and other colleagues were exposed to draft copies of the data analysis and reporting. This contributed to construct validity by highlighting any ambiguities enabling rectification for increased overall quality of the research (Miles & Huberman 1994).

INTERNAL VALIDITY is a term used in quantitative research but can also be applied to qualitative research because it refers to the extent that the research accurately encapsulates reality (Aaker, Kumar & Day 1998). In quantitative research internal validity is concerned with showing true cause and effect relationships between variables (Emory & Cooper 1991; Zikmund 1997) whilst qualitative research, seeks to identify ‘causal powers’ or generative mechanisms which may influence the research outcomes (Ragin 1999; Tsoukas 1989, p.552;) as noted earlier. To this end, qualitative research attempts to achieve internal validity by moderating ambiguities. This moderation enhances credibility and can be established through making connections within the data by considering all possible explanations of issues and through data convergence (Guba &
Lincoln 1994; Merriam 1988; Yin 1994). For example, for this research a variety of patterns have been identified that involve similarities and differences from the responses of participants. These patterns were determined by within-case analysis, cross-case analysis and cross-industry analysis and are further illustrated through diagrams and explanation in Chapter 5 (Miles & Huberman 1994; Yin 1994).

*External validity* is the third measure of quality used in this research and refers to the extent the research findings can be generalised or applied to situations outside of the research setting (Aaker, Kumar & Day 1998). Statistical generalisations are used in quantitative research but do not apply to qualitative case studies. Instead analytical generalisation was used to apply the research findings to broader theory (Burns 1999; Yin 1994). That is, the goal of research using case studies is to expand or build theory rather than to make statistical generalisations (Burns 1999). Replication logic in the design stage was used to facilitate this analytical generalisation (Reige & Nair 1996), more specifically theoretical replication and literal replication (Section 4.6.3).

External validity was further established in this research through comparing the data findings with the literature and prior theory (Chapter 6). This comparison allowed for interpretation of the research findings along with integration and building of theory (Eisenhardt 1989; Merriam 1988; Miles & Huberman 1994).

Next, *reliability* is concerned with extent to which similar findings would be achieved if the study was replicated using the same procedures (Yin 1994). This condition is important for quantitative studies but is difficult to achieve with qualitative research because the focus is on people and real life situations leading to a dynamic and ever changing reality (Neumann 1994). However, in an attempt to achieve reliability several actions as recommended by Yin (1994) were performed for this research, including the documentation of procedures by developing and using a case research protocol and interviewer’s guide (appendix B) and case study database. More specifically reliability was enhanced by:
• voice recording the in-depth interviews and then transcribing them to print form leading to the data being available in voice, print and diskette form;
• notes were taken during the interview process to guard against faulty voice recording and as prompts during the interview;
• the case study database was set-up to enable categories of data and research themes to be developed; recorded and retrieved with ease and accuracy;
• the various documents that were gathered during data collection were sorted and filed systematically; and
• notes of observations were added to the case study database where appropriate to aid triangulation.

The procedures identified above were initially developed for stage one of the research, refined through the pilot study and then stabilised prior to commencement of the second stage research. These procedures aided the reliability component of the research.

Confirmability is one of the qualitative measures for ensuring validity and reliability and addresses concerns over the potential for subjective non-neutral interpretation of data (Reige & Nair 1996). To this end, a confirmability audit was planned for, and performed on, the data collection and data analysis phases of the research. The aim of this audit was to ‘assess the extent to which …… conclusions are the most reasonable ones obtainable from the data’ (Gabriel 1990, p. 516). That is, are the conclusions from the data sound? For this research confirmability was achieved by the examination, interpretation and conclusions of the data by the two academic supervisors involved in the research. In addition, data collected was recorded in a systematic and rigorous fashion as previously noted.

Next, credibility ensures the research was carried out in a credible manner (Healy & Perry 2000; Reige & Nair 1996). Assurance was achieved in this research by seeking approval of the research findings by various parties including the interviewees, academic supervisors, peers and colleagues (Lincoln & Guba 1985). More specifically, the following activities enhanced the creditability of this research:
• triangulation of multiple sources of data and realities (Lincoln & Guba 1985)
• peer debriefing through regular meetings with supervisors; presentation at academic conferences and research in progress workshops (Robson 1993); and
• continual clarification of assumptions about the theoretical orientation and maintaining where possible a worldview of the research (Merriam 1988).

These activities provided confirmation of authenticity of the findings.

Transferability is a further test or measure of research quality and is similar to external validity which, for qualitative research, aims to develop analytical generalisation (Hirschman 1986). Transferability is achieved when the research finds similar or different findings for similar and different respondents or organisations. However, because case research involves dynamic data, differences can occur even with similar groups and the researcher must then decide if these differences are due to poor interpretation or reflection of reality (Gabriel 1990). Transferability was gained in this research by recording rich descriptions of data in the case study database, using cross-case analysis to look for similarities and differences and the use of coding during the data analysis stage (Lincoln & Guba 1985; Miles & Huberman 1994; Neuman 1994; Yin 1994).

The final measure of quality used was dependability – was the research process as consistent and stable (Gabriel 1990; Miles & Huberman 1994). This dependability was addressed in this research through regular audits by the academic supervisors of the research documentation, design and outcomes. In addition, a pilot study was conducted prior to the commencement of the main data collection in stage two in an effort confirm the appropriateness of the interview guide.

In conclusion, this section outlined the measures used to ensure the research achieved quality outcomes. A blend of measures used in both qualitative and quantitative techniques were discussed to reflect the eclectic realism paradigm. These measures include construct validity, internal validity, external validity and reliability all of which are traditionally associated with quantitative research, as well as the qualitative measures of confirmability, credibility, transferability and dependability.
4.5 Criteria for case selection

This section examines the types of case research designs available and the conditions for their use. This examination provides a basis for the selection of the most appropriate case design for this research ensuring an appropriate link between the research problem and the number and types of cases chosen for data collection (Merriam 1988).

4.5.1 Basic types of case research design

There are four basic types of research design relevant for case study research (Yin 1994). These four designs or types are categorised according to single versus multiple cases and holistic versus embedded cases as illustrated in Table 4.2. Single versus multiple cases refer to whether or not more than one case organisation is selected for the research. Holistic versus embedded cases refer to the nature of what is being researched. An holistic design is used when the information requirements are broad and abstract as in the case of the needs of this research that requires details of general experiences relating to customer contact management, a single unit of analysis (Yin 1994). These four types of research design discussed next in more detail.

Table 4.2 Four types of research design for case research

<table>
<thead>
<tr>
<th>Holistic (unembedded): single unit of analysis</th>
<th>Single case designs</th>
<th>Multiple case designs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type 1</td>
<td></td>
<td>Type 3 (used for stage two of this research)</td>
</tr>
<tr>
<td>Embedded: multiple units of analysis</td>
<td>Type 2</td>
<td>Type 4</td>
</tr>
</tbody>
</table>


Type 1 research design combines single units of analysis for a single case; Type 2 provides for multiple units of analysis for a single case; Type 3 involves unembedded single units of analysis for multiple cases; whilst Type 4 case research design uses multiple units of analysis for multiple cases.
Selection of single case design over multiple case design depends upon three main factors (Yin 1994). Firstly, a single case design is appropriate if the single case, a single organisation for example, epitomises a well-formulated theory that is to be tested for robustness and/or alternate explanations. Secondly, a single case can represent a unique or extreme situation. Finally, single case design is appropriate when the case is revelatory or previously inaccessible to research. None of these factors are relevant to the current research therefore eliminated Types 1 and 2 as potential research designs for this research. More specifically, there is no well formulated theory on customer contact management nor is there a shortage of accessible organisations. Accordingly it is more appropriate to use a Type 3, multiple case research design. This appropriateness is discussed next.

4.5.2 Multiple case research design

Multiple case research design with holistic units of analysis, that is Type 3, is the preferred design for this research. This type of multiple case design has been recommended by researchers for three reasons (Bonoma 1985; Patton 1990). Firstly, multiple cases provide rich information suitable for theory building (Perry 1998). This rich information is facilitated by the potential of using a full variety of evidence (Benbazat, Goldstein & Mead 1987; Robson 1993; Yin 1994) making the case research more rigorous (Stake 1994). Indeed this rigour is reinforced further through triangulation (Despande 1983).

Next, multiple case design is well suited to complex phenomena such as customer contact management signalling single case analysis inadequate (Eisenhardt 1989; Merriam 1988; Yin 1994). Finally, multiple case design uses replication logic to show a rich picture or to provide contrasting results for explainable reasons (Perry 1998; Tsoukas 1989; Yin 1994). In brief, the most appropriate research design for this research is Type 3 multiple cases using a single unit of analysis. The next section now identifies the method of case selection.
4.5.3 Case selection using replication logic

Multiple case design uses replication logic rather than sampling logic when selecting cases (Patton 1990). Unlike sampling logic, replication logic does not attempt to generalise the research findings to an entire population (Firestone 1993). That is, representativeness is not the key criteria for case selection, rather cases are selected according to their ability for theoretical replication and literal replication. In theoretical replication, cases are selected on their ability to provide differences rather than similarities. These differences should be able to be explained by the researcher for predictable reasons, for example, differences in size of organisation or different levels of maturity in implementation of customer contact management (Chetty 1996; Perry 1998; Yin 1994). In contrast, literal replication cases are selected according to their likelihood to produce similar findings for predictable reasons, for example these similarities may be related to findings from similar profit objectives or organisations who have a similar degree of contact in their service provision. Thus the research design used for stage two research provides both theoretical replication with four different service industries as well as literal replication with at least two cases in each cell as illustrated in Table 4.3. The organisations participating in this research are taken from four service industries, hospitality, health-care, finance and government. These four service industries are representative of Australian service industries and each case organisation either has a national presence within Australian or is indicative of national organisations.

<table>
<thead>
<tr>
<th>Service type</th>
<th>High contact</th>
<th>Low contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit Objectives</td>
<td></td>
<td></td>
</tr>
<tr>
<td>For-profit</td>
<td>Hospitality (Hotels)</td>
<td>Finance</td>
</tr>
<tr>
<td>Not-for-profit</td>
<td>Healthcare (Hospitals)</td>
<td>Government</td>
</tr>
</tbody>
</table>

Source: developed for this research.

In brief, the cases selected involve four service based industries. Service industries were chosen because customer relationships and customer service are considered particularly
relevant in today’s competitive environment (Bejou, Ennew & Palmer 1998). In addition
the service industries were able to be distinguished from one another based on the degree
of contact and profit. The degree of contact was considered a relevant case selection
criteria because this research is about customer contact management (Chase 1978;
Lovelock 1983; Schmenner 1986; Silvestro et al. 1992; Wemerlov 1990). Profit was also
included as part of the selection criteria because several participants from stage one
research mentioned service industries such as government and healthcare were embracing
the concept of CCM. In addition, an organisation’s purpose, such as its profit objective, is
one method of classifying service organisations (Kotler 2000). Moreover, the participants
in stage one research nominated the industries and criteria relevant to the research
(Section 3.6). The process used to select the cases is described next.

4.5.4 Number of cases and their selection protocol

The number of cases used in the research design is an important issue that brings with it
some dissent (Eisenhardt 1989; Parkhe 1993) with some researchers purporting few rules
when it comes to how many cases are sufficient (Romano 1989; Perry 1998). However,
four conditions help identify the required number of cases. These conditions are the
number of cases that will provide a level of valid, meaningful insight and information
richness (Eisenhardt 1989), and/or the number of cases that provide saturation (Lincoln &
Guba 1985), and/or the number of cases sufficient for the achievement of literal and
theoretical replication (Patton 1990; Yin 1994), and/or the number of cases sufficient for
an understanding of the phenomenon under investigation (Gummesson 2000).

In order to achieve these conditions, some researchers have specified an optimal number
of cases. For example, the recommended range of cases vary from a minimum of 4
(Eisenhardt 1989; Perry 1998) to a maximum of 15 (Miles & Huberman 1994; Perry
1998). Too few cases do not allow for adequate theory building whilst too many cases
provides unnecessary complexity (Miles & Huberman 1994). For this research, 9 cases
were selected and fall within an acceptable range for case research (Eisenhardt 1989;
Miles & Huberman 1994; Perry 1998). For all cases, more than one interview took place
leading to a total of 34 interviews. Multiple interviews were undertaken with all cases to
further confirm or disconfirm the data gathered. Interviewees were drawn from different
areas of the organisation such as senior management, customer contact personnel and various departments and in some cases key customers also participated.

The case organisations were selected using purposeful sampling (Patton 1990) designed to provide in-depth information on customer contact management in industry. This in-depth information is gained through selecting cases that are able to provide access to interviewees who are able to speak with depth and authority about the area under investigation. More specifically, in this research both theoretical and literal replication were gained through selecting cases from a range of different industries and experience with CCM. These industries were based on recommendations from industry experts in stage one (Section 3.6) of this research as well as industry magazines and academic literature. The four industries include financial services, local government and hospitality and healthcare. In total nine cases were undertaken and each case was researched in-depth and involved more than one interview per case.

4.6 Data collection technique

This section outlines the data collection technique used in this research. The three aspects of data collection explained are the skills necessary for data collection; the multiple sources of evidence in data collection; and finally the case interview process and protocol. Firstly, the skills required for data collection are important for this case research because the processes are complex. Case research is relatively unstructured and requires each interview to be approached somewhat differently to ensure rapport is established (Patton 1990; Yin 1994). The researcher was experienced in market research and had been involved in collecting interview data on previous occasions. The complexity of interviewing was further diminished through a structured interviewer’s guide (appendix B).

Notwithstanding this structured guide, probe questions were utilised throughout the interviewing process to capture the individual nature of responses (Carson et al. 2001). This probing required the researcher to be able to employ a flexible and tailored questioning style. For example, the open-ended nature of many of the questions meant
that respondents sometimes addressed issues out of the sequence scheduled in the interviewer’s guide or got off the track. In addition, because CCM is a relatively new concept, care had to be taken to ensure that both interviewer and interviewee were talking about the same things. For example, checking questions were used along with paraphrasing to check meaning and understanding.

Next, multiple sources of evidence were used for triangulation, as discussed in Section 4.4 (Yin 1994). These sources of evidence are discussed in more detail throughout this section and were in the form of observation; documentation such as memos, procedural manuals and organisational records; the survey of some case organisation’s customers and direct interaction through in-depth interviews. A blend of these sources of evidence was used for this research with the main focus on direct interaction through in-depth interviews. These multiple of sources of evidence lead to triangulation that enable the verification of data in the data analysis stage as reported in Chapter 5 (Patton 1990).

Another source of evidence included observation. Observation is a qualitative research technique that helped the researcher to gain an insight into the participants’ true feelings through the observation of non-verbal behaviour (Patton 1980; Yin 1994). Observation records incidences such as facial expressions, body language, the use of silence and the use of noise. In addition artefacts in the form of posters, cartoons and memos were also noted to gather better insight into the participants’ attitudes. For example, quality statements and/or customer service mantras were observed in some organisations enabling the researcher to gain a richer picture of the organisation’s culture and philosophy.

Another source of evidence was documentation to complement and substantiate data gathered through the interviews, thus building convergence and triangulation (Lincoln & Guba 1985). In this research, a range of documentation was gathered through the interview process. This documentation varied from case to case and included standards of service, employee instructions, brochures and internal company newsletters. This data provided additional evidence to the interview data and thus helped improve the quality of data gathered overall (Yin 1994).
Customer surveys were used as another source of evidence as a means of triangulation (Patton 1990). Each participating organisation was given the opportunity to seek feedback from their own customers using a questionnaire developed by the researcher. Of the nine participating organisations, five elected not to seek customer feedback. Two of the organisations which expressed a wish to seek customer feedback did not give the provided surveys to their customers. The remaining two organisations which elected to seek such feedback (Case A and Case E totalling 27 surveys) provided surveys to their customers and frequency analysis of that data can be found in Chapter 5 along with selected quotes. The two organisations administered the questionnaires using convenience sampling, that is, they gave the questionnaires to their customers when opportune and asked the customers to fill it out in their presence. The customers were informed that there was no compunction to complete the questionnaire if they did not want to. The questionnaire was developed in parallel with the research issues and the interviewer’s guide used in the case organisations. The customer survey was couched in language and terminology in accord with a lay person’s expectations, as shown in Appendix C and was tested during the pilot case study. Each questionnaire was modified to encompass the requirements of each case organisation (for example, a Healthcare questionnaire required different terminology to a Government organisation). This research examines the service management process of CCM from an internal organisational perspective. The external viewpoints of the organisations’ customers falls outside of this examination so it was to be expected that the responding organisations would not universally wish to explore customer feedback in this area. However, the administration of the customer surveys was useful in verifying the patterns found in the case data (Oppermann 2000). Further to this aspect the perceptions of customers were addressed in the case interview element of this research reported in Chapter 5.

The final source of evidence was in-depth interviews that were suitable to case research as they enable rich insights into the research issues through careful questioning and the development of a good rapport with respondents throughout the interview process. This rapport provides opportunity to probe into issues that require further exploration or
clarification (Merriam 1988). In addition rapport is important as it facilitates trust between the interviewer and interviewee, allowing the voluntary flow of information and confidence sharing (Cooper & Emory 1995). The in-depth interviews used an interviewers’ guide (appendix B) that is discussed next.

**Case research interview process and protocol.** The interviewer’s guide served to manage each interview consistently. This consistency is an important element in multiple case design and helped to address issues of reliability in this qualitative research technique (Yin 1994; McDaniel & Gates 1991). The interviewer’s guide detailed the procedure to be followed during the interviewing process, as well as the questions and prompts. The interviewer’s guide was developed and refined from three main sources: the literature review (Chapter 2), the outcomes from the convergent interviews (Chapter 3) and one pilot study. The development, refinement and application of the interviewer’s guide was a useful tool in clarifying what the information needs of the research were, along with how this information could be later analysed and used (Yin 1994).

Each of the six research issues that came out of the theoretical framework (Section 2.17) was addressed in the interviewer’s guide, as illustrated in Table 4.4. In addition the interviewer’s guide (appendix B) showed a code in subscript after each question. The first number of each code relates to the particular research issue. For example, after question 9 the numbers 2.10 are shown in subscript. This means that this is the tenth question relating to research issue 2. In addition question 20 has the letter ‘A’ after the subscript research issue number. This letter indicates that further questions were asked of customers, these questions related to research issues 3, 4 and 6.

After a brief introduction to the issues and research ethics, the interviewer’s guide essentially followed a logical progression through each individual research issue. However, in some circumstances, portions of two or more research issues were covered through a combined question, for example, question 16 addresses research issues 5 with the question ‘How smoothly do you believe CCM has been (or could be expected to be)
implemented in your organisation’ and research issue 6 with the question ‘How can the integrated database remain current and accessible? Implications?’

Table 4.4  **Interview questions aligned to the research issues**

<table>
<thead>
<tr>
<th>Interview question/s</th>
<th>Research issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Questions 1 - 3</td>
<td>RI 4</td>
</tr>
<tr>
<td></td>
<td>What is driving the opportunity for customised service and why?</td>
</tr>
<tr>
<td>Questions 4 - 5</td>
<td>RI 1</td>
</tr>
<tr>
<td></td>
<td>What information relevant to customer contact service is utilised for database marketing and how?</td>
</tr>
<tr>
<td>Questions 6 - 9</td>
<td>RI 2</td>
</tr>
<tr>
<td></td>
<td>How is information utilised in the provision of standardised customer service and why?</td>
</tr>
<tr>
<td>Questions 10 – 13</td>
<td>RI 3</td>
</tr>
<tr>
<td></td>
<td>What information from customer service transactions and/or interactions can be integrated into the database, and why?</td>
</tr>
<tr>
<td>Questions 14 – 18</td>
<td>RI 5</td>
</tr>
<tr>
<td></td>
<td>How can individualised communication be incorporated into the total customer contact service? + part of RI 6 (Question 16)</td>
</tr>
<tr>
<td>Questions 19 &amp; part of 16</td>
<td>RI 6</td>
</tr>
<tr>
<td></td>
<td>How and why can feedback be incorporated into integrated database marketing?</td>
</tr>
<tr>
<td>Questions 20 – 23</td>
<td>Conclusion, confirmation &amp; further leads</td>
</tr>
</tbody>
</table>

Source: developed for this research.

To reassure the interviewees about the interview process the research issues were not addressed chronologically. Instead research issue 4 ‘customer contact management’ was addressed first because it provided important context. The second area of questions was about database information (research issue 1) for its simplicity, followed by customer service (research issue 2) for the same reason. Next, exploration of customer contact points (research issue 3) took place to provide the base for the next area of questions issue implementation of customer contact points (research issue 5). Research issue 6 concerning perpetual feedback of information through the database was covered briefly because this issue was covered within the preceding questions. Finally, the interviewer’s guide allowed for closure of the interview and opportunity to gather further leads to interview/survey key customers.
In total, 23 questions were asked plus prompts. The prompts were employed for probing and clarification. In addition, a set of nine cards were used to help with the probing and to plot respondents answers. For example, card one contained a definition of customer contact management for respondents to read and card two provided a customer contact service implementation barometer that respondents were asked to indicate with a pen where they thought their organisation was placed. The cards were initially filled in by the interviewees as a summary of their views about the issues. I then triangulated their responses against other information I had gathered. In brief, the cards were not a strictly qualitative response by the interviewees but were a tool for me to clarify the rich data I was gathering. The cards are included in Appendix B that contains the interviewer’s guide. The interviews ranged in time from 50 minutes to 1 hour and 15 minutes.

4.7 Method of case analysis

The previous section identified the rationale and process of data collection for stage 2 of this research. This next section details the methods used to make sense of that collected data by describing the processes of data analysis to be employed in Chapters 5 and 6. This process of data analysis is important in qualitative research because this analysis can lead to the development of theory (Eisenhardt 1989). However, qualitative data analysis can be problematic because its quality often depends on the interpretive and analytical abilities of the researcher since there are few standards guiding analysis (Eisenhardt 1989; Miles & Huberman 1984; Yin 1994).

To address these problems of analysing qualitative research, the analysis conducted for this research followed procedures that enabled meaning to be gathered from the data collected (Lincoln & Guba 1985; Marshall & Rossman 1999; Patton 1990). That is, this research divided the data analysis into four stages: themes, coding, display and interpretation. The first stage involved identifying themes from the data. The aim of developing themes is to take the extensive raw data to find groups of findings or responses in order to focus the information into more manageable chunks (Patton 1990). This focus provides meaning and structure.
The second stage of data analysis, *coding*, was the process of organising data into themes or categories and then assigning labels in the form of numbers to each category/theme (Malhotra 1996). These codes can then be given descriptors to express the code. For example, a respondent may say that ‘customer contact management is an imperative because the competition is also doing it’. This response may attract a code of ‘3’ and the descriptor of ‘competitive activity’. Any other similar responses will also be given the code of 3 and its assigned descriptor. The coding process enables the data to be clearly differentiated, identified and arranged (Miles & Huberman 1994). Initial coding was grounded in categories that came out of the priory theory, research issues and convergent interviews (Chapters 2 & 3). Further categories and coding were developed as new ideas and themes emerged from stage one. The coding was recorded on the field notes taken during the interview and then on the interview transcript that was typed up after each interview (Miles & Huberman 1994). In addition, where further documentation was gathered or observations noted, coding was manually applied and recorded.

The computer software package of Excel was used to assist with the recording and allocation of the coding protocols. This package was chosen over other packages, for example, specialist software for coding qualitative data such as NUD*IST, because it provided the researcher with more control over the data. In addition, Excel provided sufficient tools to record and code the data in a simple and effective manner. Nevertheless, software packages such as NUD*IST are intended for managing unstructured research data and identifying themes in the data (Miles & Huberman 1994). However, the process of identifying themes can lead to the creation of distance between the researcher and the understanding of their data (Carson & Coviello 1996) and is not always ideal for semi-structured data as used in this research (Miles & Huberman 1994). Subsequently, Excel was used because it suited the requirements of this research including the need for a useful friendly package that had ease of data entry and ability to sort, group and display various categories and respondents when and as needed.
Data display was the next stage and enabled the categories of data to be effectively and efficiently presented. The categories of data were manipulated and arranged to provide meaningful insight, comparison, contrast and access to information (Miles & Huberman 1994). The display was performed through the use of matrices in the form of tables, figures as well as quotations enabling complex issues to be examined in a simple format, measured via the frequency of such issues and assessed regarding relationships to one another.

*Data interpretation* and evaluation was the final and fourth stage of data analysis and involved drawing conclusions from the data displays. This stage is presented in Chapter 5. These themes were from the stages above and analysed on a cross-case and cross-cluster or group basis. Within-case analysis was undertaken first by looking at each case for unique issues or features (Perry 1998).

However, because an aim of this research was to be able to generalise findings, more focus was placed on cross-cluster/industry analysis. This cross-cluster analysis permitted groups that shared similar characteristics such as industry type or level of CCM maturity to be compared and contrasted. This comparison provided the basis for the in-depth discussion of issues in Chapter 5 where the cross-cluster analysis is done. Finally, conclusions drawn from the data collection were able to be evaluated against findings from prior theory culminating in further development of theory in Chapter 6.

**4.8 Ethical considerations**

Ethics were an important consideration in this research because poor ethical standards can have an unfavourable effect on the participants of the research as well as on the research outcomes (Cooper & Emory 1995; Patton 1990; Stake 1995). This section identifies typical ethical concerns and outlines how these concerns were addressed in this research. The section is split into three areas: interview participants, researcher issues and research outcomes.
Interview participants have the right to expect to be treated in a manner that looks after their interests (Patton 1990). In this research the participant’s interests were protected in three ways. Firstly, each interviewee was informed of the purpose of the research. Participants were also asked for their cooperation and were not made to feel obliged to take part. In seeking their participation the process of the research was made clear in the interviewer’s guide (appendix B) and was explained to them so that they were fully aware and agree to their required contribution.

Secondly, the interviewee’s privacy was protected (Miles & Huberman 1994). The researcher ensured that individual interviewees and their company could not be identified by any other party. Subsequently each interviewee was allocated an identification tag as was each case. These identification tags were used to refer to specific people/companies rather than the persons or company’s name in the analysis and conclusion chapters of this research (Chapter 5 and 6). The assurance of privacy was particularly important as all interviews were voice recorded and interviewee’s were guaranteed that the recordings would be held in secure place and only used for transcription and checking purposes.

Finally, interview participants received confirmation that the results of the research would not be misused (Neuman 1994) and would only be used for academic purposes. To assist with this assurance, interview participants were asked if they would like a brief report on the research findings to be sent to them for checking.

Researcher issues involved the researcher representing the research and the sponsoring university in a reputable and professional manner. This professionalism was achieved by the researcher treating the participants with respect and behaving in a business like fashion (Stake 1994).

The quality of the research outcomes was considered in the context of ethics from the outset of the research (Cooper & Emory 1995). The ethical overlay of the research meant that the interviews questions were transparent to the interview participants, for example, participants were free to view the interviewer’s guide and were encouraged to seek
clarification or express any concerns. This transparency ensured the cooperation of participants in an open and helpful way. Furthermore, the researcher recognised that the subject matter was fairly complex and commercially sensitive requiring a careful approach to get full benefit from the knowledge of the participants. These actions helped deliver quality results.

4.9 Limitations

The data collection and analysis process has now been detailed in full. Despite the appropriateness and strengths involved with using case research, limitations exist (Eisenhardt 1989; Perry 1998). This next section identifies six limitations presented by the case research design used in this research and explains how the limitations have been addressed. In addition these limitations and the strategies employed in addressing them are illustrated in Table 4.5.

Firstly, the intensity of data collection in case studies may mean that information becomes overwhelming when data analysis and conclusion drawing occurs (Eisenhardt 1989; Parkhe 1993). To avoid collection of superfluous data this research used prior theory to guide the development of the six research issues. In turn these research issues were used to develop the interviewer’s guide (appendix B) that provided focus for the data collection (Chapters 2 & 3; Section 4.3.1).

The second issue relates to operational difficulty. Operational difficulty relates to the problems with carrying out the research in terms of logistics and procedural issues (Merriam 1988; Parkhe 1993). These procedural concerns were minimised in this research through the application of the protocol and actions detailed in the interviewer’s guide (Section 4.6; appendix B).

Thirdly, the limited generalisability of case research is an issue because the resulting theory development may be narrow in its application (Eisenhardt 1989; Yin 1994). This limitation was addressed in this research through the use of prior theory as a stepping stone and the employment of multiple cases. These two factors increased the
generalisability of the research to other organisations and industries involved with CCM (Sections 4.3.1; 4.4; 4.5; 4.5.3).

Next is the issue of **limited external validity**. This criticism stems from quantitative research techniques that value statistical generalisation (Yin 1994). However the multiple cases used in this research meant that external validity was improved because replication logic was able to be applied thus using analytical generalisation for theory building (Yin 1994) (Sections 4.3.1; 4.4; 4.5; 4.5.3). Furthermore, the findings of the research were further enhanced in Chapter 6 through comparison with prior theory and literature.

### Table 4.5  Limitations of this research and strategies to address them

<table>
<thead>
<tr>
<th>Limitation</th>
<th>Strategy to address</th>
<th>Relevant chapters or sections</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Intensity of data</td>
<td>Prior theory</td>
<td>Chapters 2 and 3; 4.3.1; appendix B</td>
</tr>
<tr>
<td></td>
<td>Research issues</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Interviewer’s guide</td>
<td></td>
</tr>
<tr>
<td>2. Operational difficulty</td>
<td>Research design and interviewer’s guide</td>
<td>4.6; appendix B</td>
</tr>
<tr>
<td>3. Limited generalisability</td>
<td>Prior theory</td>
<td>4.3.1; 4.5</td>
</tr>
<tr>
<td></td>
<td>Multiple cases</td>
<td>4.4; 4.5.3</td>
</tr>
<tr>
<td></td>
<td>Multiple cases</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Replication logic</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Comparison of results to literature</td>
<td></td>
</tr>
<tr>
<td>4. Limited external validity</td>
<td>Prior theory</td>
<td>4.3.1; 4.5</td>
</tr>
<tr>
<td></td>
<td>Multiple cases</td>
<td>4.4; 4.5.3</td>
</tr>
<tr>
<td></td>
<td>Multiple cases</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Replication logic</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Comparison of results to literature</td>
<td></td>
</tr>
<tr>
<td>5. Restrictions of approach</td>
<td>Variety of data sources and collection techniques</td>
<td>Chapter 3; 4.3.1; 4.4; 4.6</td>
</tr>
<tr>
<td>6. Propensity of bias</td>
<td>Avoiding leading questions and body language</td>
<td>4.4</td>
</tr>
<tr>
<td></td>
<td>Cognizant of sensitivity to bias</td>
<td></td>
</tr>
</tbody>
</table>

Source: based on Merriam (1988); Eisenhardt (1989); Hamel (1993); Hirschman (1986); Parkhe (1993); Yin (1994) and Teale (1999).
The fifth limitation concerns *restrictions of approach*. This limitation is not unique to case research as all methodologies have strengths and weaknesses (Parkhe 1993). However, the measures used to overcome the weakness of approach used in this research came from using a variety of data sources and collection techniques. The data was gathered from the development of prior theory, convergent interview and case studies (Chapter 3; Sections 4.3.1; 4.4 & 4.6).

The final limitation is the *propensity for bias* from either the researcher or the research participants (Hamel 1993). This bias can distort results of the research. To overcome this limitation the researcher avoided leading questions, kept body language and facial expressions to a minimum as well as remaining cognizant of the sensitivity of the data being collected and potential for skewing the data (Malhotra 1993) (Section 4.4).

### 4.10 Conclusions

This chapter has outlined the approach and execution for stage 2 of this research. Firstly, justification of the realism paradigm along with examination of case research methodology occurred. Next, discussion of the criteria for judging the quality of case research took place. The criteria for case selection and data collection and analysis techniques were then described. The ethical considerations were addressed next followed by an examination of the limitations of case research and identification of the strategies used in this research to address each limitation. The next chapter now reports and analyses the findings of this research.
Chapter 5  Data analysis

5.1  Introduction

The previous chapter detailed the methodology for stage two case research. This chapter reports patterns found in data collected using that stage two methodology. The chapter is arranged into five main sections, as shown in Figure 5.1. Firstly this section describes the purpose and layout of the chapter (Section 5.1). Next, each case and its participants are described (Section 5.2). An overview of the techniques used to analyse the data is then given followed by discussion of the research issues individually (Section 5.3). Finally, conclusions about these research issues are presented (Section 5.4).

Figure 5.1  Outline of Chapter 5, with section numbers

Source: developed for this research
5.2 Details of participants

This stage two research involved nine cases that were chosen based on the principles discussed in Sections 4.5.3 and 4.5.4. That is, four types of cases were used based on the degree of customer contact and the presence or absence of profit objectives. The four case types were from hospitality, healthcare, finance and government organisations. Multiple interviews took place for each case, totalling 34 face-to-face, in-depth interviews. To provide triangulation, interviewees were drawn from different areas of the organisation including senior management, customer contact personnel and various functional departments. The selected industries were typical of industries across all states within Australia even though the location for the research was confined to the one state, Queensland. For example, the hotels (hospitality) had ownership across states, the financial institutes had customers and/or branches interstate, the government organisations were similar in type to national government bodies and hospitals (healthcare) were typical of those in other states.

In addition, completed customer survey forms from two case organisations, Case A and Case G, are included in the analysis process where appropriate. These customer surveys were self-administered as described in Section 4.6 and could only be administered where the case organisation agreed to this customer involvement. Four cases agreed with two cases following through with the administration of the customer surveys. In total 27 customer surveys were received as part of this data analysis.

This next section gives an overview of each case as part of the within-case analysis process (Patton 1990). This within-case analysis helps contextualise the later, cross-case analysis of the research issues (Section 5.4). The first part of this within-case analysis was to allocate codes to each case to ensure anonymity. Firstly, each case was assigned a letter of the alphabet from A through to I. A secondary number was used to reflect the individual interview participants for each case and as a means of sourcing quotations, a colon separates the case number and the interviewee number. For example the code C:2 represents case organisation C, interviewee 2.
A further measure to preserve anonymity was generic descriptions of each case. This description commences below and is summarised in Table 5.1 which shows the case number, number of interviewees, positions of the interviewees, date interviewed, industry and the classification of the organisation in regard to the coding process described above. Details pertaining to job title have had to be disguised in some instances for confidentiality reasons. A case database was established by the researcher and provides information about the individual participants including job title, contact details as well as interview transcripts, field notes and other miscellaneous documentation (Yin 1994).

The next stage of within-case analysis concerned the data received from the individual participants. This data was initially coded by categories along with the recording of quotations and paraphrases in a tailored Excel spreadsheet. The spreadsheet consisted of rows containing responses to the questions and their associated categories and a set of columns each representing an individual participant. The results of this process for each of the individual participants were then viewed in the context of each case organisation to enable the generation of an holistic case view. That is, the process of pattern coding was undertaken on the data from the individual interviews in each case with the aim to reduce the data to a single case view (Miles & Huberman 1994). In most situations this data reduction process was relatively smooth although at times outliers were either removed or noted in the cross-case analysis through the use of quotations. Likewise, in some situations not all case participants mentioned a particular factor or issue thus in these circumstances a general consensus was used to form the case view.
<table>
<thead>
<tr>
<th>Case</th>
<th>No. of interviews</th>
<th>Positions of interviewees</th>
<th>Dates interviewed</th>
<th>Industry</th>
<th>Classification</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Objective</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>High/low contact</td>
</tr>
<tr>
<td>A</td>
<td>Four</td>
<td>Senior Policy Manager</td>
<td>26.7.01 31.7.01</td>
<td>Healthcare</td>
<td>Not-for-profit</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Customer Care Executive</td>
<td>3.8.01</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Senior Medical Executive</td>
<td>9.8.01</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Clinical Service Executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>Five</td>
<td>Senior Executive</td>
<td>31.7.01 1.8.01</td>
<td>Healthcare</td>
<td>Not-for-profit</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Finance Manager</td>
<td>1.8.01 (2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Director Of Services (2)</td>
<td>3.8.01</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Customer Manager</td>
<td>6.8.01</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>Four</td>
<td>Customer Service Manager</td>
<td>23.8.01 27.8.01</td>
<td>Healthcare</td>
<td>Not-for-profit</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Internal Consultant</td>
<td>3.9.01 (2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Service Operations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Service Administrator</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D</td>
<td>Four</td>
<td>Operations Support</td>
<td>13.9.01 (4)</td>
<td>Hospitality</td>
<td>For-profit</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Finance Officer</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Customer Relations Co-Ordinator</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Senior Executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E</td>
<td>Two</td>
<td>Front Office Executive</td>
<td>12.11.01 (2)</td>
<td>Hospitality</td>
<td>For-profit</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Human Resources Executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>F</td>
<td>Three</td>
<td>Supervisor Call Centre</td>
<td>2.10.01 (3)</td>
<td>Government</td>
<td>Not-for-profit</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Business Manager</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Business Manager</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Customer Service</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>G</td>
<td>Four</td>
<td>Operations Support</td>
<td>20.9.01 (3)</td>
<td>Government</td>
<td>Not-for-profit</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Finance Officer</td>
<td>25.9.01</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Customer Relations Co-Ordinator</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Senior Executive</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H</td>
<td>Three</td>
<td>Financial Manager</td>
<td>2.10.01 (2)</td>
<td>Finance</td>
<td>For-profit</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Supervisor Call Centre</td>
<td>9.10.01</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Area Manager</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I</td>
<td>Two</td>
<td>Manager Call Centre</td>
<td>4.10.01 5.10.01</td>
<td>Finance</td>
<td>For-profit</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Product Team Leader</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Shading to aid readability only
Source: analysis of field data.
Nine cases from four industries were used for this stage two research. Firstly, three cases were drawn from the healthcare industry, that is, cases A, B and C. All three healthcare providers were longstanding, large and classified as *not-for-profit*. The three healthcare providers cater for customers who need short to long-term medical attention. Due to the personal nature of healthcare the customer is usually present during the production and consumption of their core product and could be classified as *high contact*. Specifically for Case A, four representatives were interviewed: senior policy manager, customer care executive, senior medical executive and a clinical service executive. Surveys from customers of Case A are also analysed in this chapter. Five representatives from Case B were interviewed: senior executive, finance manager, director of services (2) and a customer manager. Case C involved the interviewing of four representatives: customer service manager, internal consultant, service operations and a service administrator.

The second industry for this stage two research was hospitality (hotels) and involved two cases, that is cases D and E. These two hospitality cases involved medium sized *profit oriented* hotels providing service to both the business and general public markets and both are part of a worldwide network of hotels. Due to the nature of hotel accommodation and associated services the physical presence of the customer is usually required during the production and consumption of the core product and could be classified as *high contact*. Specifically for Case D, four representatives were interviewed: operations support, finance officer, customer relations co-ordinator and senior executive. Case E involved two representatives: front office executive and human resources executive.

The third industry, the local government, took part in the research with two cases participating, case F and G. The two local government organisation deliver council services and administration to their designated areas and are classified as *not-for-profit*. The nature of the transactions with customers means that the customer is not necessarily physically present during the production and consumption of the service and considered as *low contact*. However, these government organisations did possess sophisticated call centres to help facilitate effective contact. Three representatives from Case F were interviewed: supervisor call centre, business manager and business
manager customer service. Case G provided four interviewees: operations support, finance officer, customer relations co-ordinator and senior executive. Surveys from customers of Case G are also analysed in this chapter.

The financial services industry was the final industry and involved two cases, case H and I. These two national financial services organisations were medium in size, profit oriented and offer a wide range of services to customers. The physical presence of the customer is not necessary, but sometimes desirable, during the production and consumption of the service and can be classified as low contact. Both financial cases were equipped with sophisticated call centres. Case H involved three representatives: financial manager, supervisor call centre and area manager. Two representatives from Case I were interviewed: manager call centre and product team leader.

5.3 Analysis of research issues

Having completed within-case analysis by providing information about how the multiple data sources were reduced to single case views followed by a description of each case, comparison of patterns that arise across the cases can be undertaken next. This comparison is cross-case analysis and involves using the variables from the data to identify patterns, similarities and differences between the cases (Eisenhardt 1989; Yin 1989). This cross-case analysis is represented in Sections 5.3.1 to 5.3.6 which examines the data in-depth and then categorises it into themes and patterns to provide overall insight into how and why issues exist. Further insight was gathered through the development of matrices that linked themes and cases, along with the use of quotations (Miles & Huberman 1994).

During this cross-case analysis, detail of the in-depth qualitative data collected is reported whilst still highlighting patterns within that data. Indeed, combining the rich detail (wood) with the patterns (trees) was a challenge because of three factors (Perry 2002). Firstly, CCM is an area of marketing that has not been explored in depth requiring detailed research into the phenomenon. Secondly, for reasons of research credibility, the analysis required substantiation of the patterns uncovered as well as evidence of supporting quotations. Finally, these patterns had to be highlighted whilst maintaining the rich qualitative base from which they were drawn. Consequently, a
combination of theme sentences (patterns), quotations, matrices, figures and tables are used throughout this chapter to provide observations on the research issues.

The same protocol for identifying the source of quotations was used in the cross-analysis as in the within-case analysis previously reported. That is, quotations are used to support the findings and are preceded by a sentence about the patterns in the quotations. A letter followed by a colon and then a number is used to identify the source of the quotation - the letter refers to the case and the number to the individual respondent within that case. In addition quotations from the customer surveys follow a similar protocol with the letter of the case organisation being preceded by the letter C to indicate customer, a number then follows to refer to the individual customer. For example the numbers (CG:3) next to a quote means the source is customer 3 from case G. A smaller font size, size 11 point font, is also used to differentiate the quotations from the patterns which use the normal 12 point font. This cross-case analysis for each research issue is discussed next.

5.3.1 Analysis of results for research issue 1: Information and database marketing

Research issue 1 asks ‘What information relevant to customer contact service is utilised for database marketing and how?’ This question is explored in this section by the two themes uncovered in the data: information and its uses in database marketing (what) and linkage of database marketing to customer contact service (how). These themes were identified through analysis of questions four (‘What type of information is collected by your organisation for database marketing purposes?’) and five (‘Who and which department/s collects this database information?’) of the interviewer’s guide.

Theme 1.1 Information and its uses in database marketing

This theme identifies the use of information in the database, or more specifically what information is collected and used for database marketing purposes. Firstly, the type of information held in the database is identified, followed by a discussion on the ‘how’ or which department holds and maintain the database. The discussion on how
information is held leads to a discourse about customer attitudes towards information as customer attitudes can influence the type and use of information in database marketing. Finally, this theme identifies five major uses of information in database marketing. These findings are now discussed in more detail under theme 1.1.

Firstly, *types of information* were uncovered in the data analysis, and are summarised in the case/information source matrix of Table 5.2. Types of information held in the marketing database varied with demographics and transactions being used by most case organisations (totals of rows A and B of Table 5.2). The exceptions were government organisations who reported that their transactions were not recorded in a ‘marketing’ database because of the nature of their businesses. ‘We don’t really see it as marketing ….. just the normal database’ (G:1). Government ‘transactions’ were often requests for information and not always recorded, however, demographic information such as addresses was recorded even in those situations (totals of row A Table 5.2). For example, a customer’s request for information on council by-laws is fulfilled and the demographic information is collected/confirmed but other information is not usually recorded. Future needs, psychographics, preferences and complaints were sources of information held in the database by the other cases but were not comprehensively so (rows C, D, E and F of Table 5.2). In addition, no case organisation in either the hospitality and government industries used their database to capture the future needs of customers as shown in Table 5.2.

**Table 5.2 Information types captured for database marketing**

<table>
<thead>
<tr>
<th>Row Type</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry</td>
<td>Healthcare</td>
<td>Hosp’ty</td>
<td>Gov’t</td>
<td>Finance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>Demographics</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>9</td>
</tr>
<tr>
<td>B</td>
<td>Transactions</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>7</td>
</tr>
<tr>
<td>C</td>
<td>Future needs</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>3</td>
</tr>
<tr>
<td>D</td>
<td>Psychographics</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>E</td>
<td>Preferences</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>F</td>
<td>Complaints</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>

*Note: ✓ = respondents nominated this category; Shading to aid readability only Source: analysis of field data.*
Secondly, in relation to the ‘how’ or which department collects and holds the database information it was generally maintained in either the ‘records’ or marketing departments and was collected through normal daily business activities such as interactions and transactions with customers. This was because data in the database has traditionally been viewed as a tool to facilitate organisational activities like record keeping rather than as a mechanism to facilitate communication. ‘We don’t really get the information for marketing… use it for our jobs’ (D:1). In general, there was a tendency for the high contact industries to capture more information in their marketing databases than the low contact industries. This tendency may be as a result of the type and intensity of contact experienced in the healthcare and hospitality organisations. No major differences were evident in the type of information captured based on the issue of profit versus not-for-profit sectors. The type of information held in the database was confirmed by the researcher through viewing the fields of case databases. In addition, the disconnected nature of the various databases was evident as different interviewees demonstrated different databases and information receptacles – this aspect is discussed in more detail in theme 1.2.

Thirdly, another aspect of collecting information for the database concerned customer attitudes. This aspect was investigated because customers can influence what information is collected and how it is used in an organisation. For example, if a customer is unhappy with information such as purchase history and personal details being held by an organisation then the customer is unlikely to respond positively to any reactive or proactive marketing or customer service approach. Perceptions of customer attitudes towards database marketing were important in all cases because the cases were aware of the value in keeping customers happy. All cases reported customers were aware that data collected through their interactions are recorded on a database for further business activity. None of the case organisations reported customers being unhappy with their information being held in the marketing database. ‘They [customers] trust us with it [customer information]’ (B:4). Indeed, some organisations were defensive of the database marketing activities targeting towards customers by claiming that they do not abuse the privilege. ‘We never cold call or outbound - we only have welcome calls for new customers’ (H:2). This defensiveness indicates protectiveness towards the customer. In addition, all cases explained that access, security and integrity of customer data were not seen as issues because of the
lack of general access by staff to the marketing database and other proactive measures. ‘We have security measures’ (G:3). These security measures were evident when some cases demonstrated the database systems (Case A, B, C, D & F). Other cases were able to produce documents that provided user guidelines outlining, among other things, the protocol to protect customer security and integrity (Case E, G, H & I). However, some minor accuracy issues were observed by the researcher relating to the delayed and often rushed entry of customer details.

Fourthly, five major uses of information were identified from the data as summarised in Table 5.3. However, with the exception of the finance industry, the cases reported minimal use of database marketing, because they do not perceive its major purpose as a marketing one, as shown in the case/use matrix in Table 5.2 (row B Table 5.3). ‘We do have regular mailouts from our database due to our normal business activity but not really for marketing purposes’ (F:1). ‘We do collect and use data in a social sense ….. rather than a marketing sense’ (C:3).

Table 5.3  Database marketing utilisation

<table>
<thead>
<tr>
<th>Industry</th>
<th>Case</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthcare</td>
<td>A</td>
<td>✅</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6</td>
</tr>
<tr>
<td>Hospitality</td>
<td>B</td>
<td>✅</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5</td>
</tr>
<tr>
<td>Gov’t</td>
<td>C</td>
<td>✅</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>Finance</td>
<td>D</td>
<td>✅</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>E</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>

Note: ✅ = respondents nominated this category; Shading to aid readability only
Source: analysis of field data.

However, this response about database marketing may be a misconception of what database marketing entails because the database was used by the majority of cases as a tool to channel direct promotional activities such as newsletters, reward programs, and fulfillment of information requests. ‘We do have a marketing database where we try to cross sell and up sell’ (I:1). As identified above, this misconception about what is meant by marketing was not evident in the finance industry perhaps because they have actively used database marketing for some time.
The use of the database for marketing was confirmed through observation of database usage in all cases researched. That is, all cases held and used information that provided assistance in servicing customer and organisational needs. These observations by the researcher helped clarify that, whilst some interviewees did not understand their activities to be marketing focused, the observation of database usage does fit into the commonly held academic view of marketing.

Thus the database was used for marketing purposes through the recording of promotionally focused telephone and/or mail contact with customers (Row A Table 5.3). In addition the database was used for what academia recognises as marketing activities including the follow-up of customers (Healthcare industry only), reward programs and market research purposes (rows C, D, and E of Table 5.3). ‘We have blanket mailers to all of our database ... we can also include smart inserting of relevant material’ (G:2). ‘We use this for survey purposes but don’t use it for traditionally marketing sales approaches’ (B:3).

In brief, this theme reveals what information was collected and used for database marketing purposes. High contact industries captured more information in their marketing databases than the low contact industries with no major differences evident in the type of information captured based on the issue of profit versus not for-profit sectors. In addition how this information was used was identified with activities such as promotion being most prevalent. No consistent differences were found between the degree of contact or the profit objective in terms of data usage.

Theme 1.2 Linkage of database marketing to customer contact service

This second theme is about how database marketing is used, if at all, for customer contact service. Firstly, the absence of the required linkage between the database and customer contact service for CCM purposes is discussed followed by an examination of reasons why the case organisations aspire to improve the linkage.

Indeed, most cases showed poor if any linkage between the marketing database and customer contact points. ‘This [the database] is run from the marketing department.... and is
not linked to the contact centre ..... the contact centre may know that a direct mailing package has been sent out but not on an individual customer’ (I:1). This poor linkage is because until recently organisations have not had to, nor had the opportunity to, use the database as a customer service tool. ‘We have an electronic newsletter too ... this is not linked to our normal database at this stage’ (G:2). Indeed, this theme supports theme 1.1 which showed the disconnected nature of the various databases and information receptacles. In essence, most organisational units were delineated according to their day-to-day information needs but this information was not necessarily shared across to other customer service areas.

One exception was in healthcare where information was linked across the organisation on an as need bases – at times this linkage was poor in respect to timely access. For example, each patient was usually allocated one paper based file which was transferred throughout the hospital on an as need basis to each section, specialist or service provider. This transfer between personnel often took several days or required a physical courier to facilitate a faster transfer.

Another exception was those cases that had sophisticated call centres, that is, the low contact industries. For example, the government organisations had advanced call centres that linked the database and customer service areas. In addition, the finance industry boasted sophisticated call centres but when observed by the researcher it was apparent that linkage with non-telephone contact points was lacking. For example, a customer may make an enquiry with the call centre in the morning and then when physically visiting the branch in the afternoon the service personnel were not aware of the earlier query by that customer.

Despite this poor linkage most cases across all industries aspired to integrate the marketing database with customer contact service due to the relevance of these two information sources. ‘Database marketing and contact information is related and ideally it should all be connected ... our marketing department often complains that it can’t get the information it wants out of our database’ (H:1). ‘We do envisage that the marketing database will eventually be connected to the customer service or contact system’ (F:1).
One reason for this aspiration was the *relevance of database information for customer contact service*. This information, identified in theme 1.1, streamlines contact and enables more transparent interaction. ‘Other departments send out information and newsletters too and we do try to coordinate mailouts, change of addresses, deceased patients - where possible’ (C:3). Conversely however, the collection and utilisation of database information relevant for customer contact service brings with it problems associated with the magnitude of information used at contact points. ‘Clogging up the database with too much information’ (E:1).

In brief, theme 1.2 uncovers how the cases aspire to link database information relevant to customer contact service. In addition it shows there were poor linkages between the database and contact points. Despite these poor linkages, integration of the database with customer contact service would be of value. However, the low contact industries were more likely to report linkage attempts than the high contact industries.

In conclusion, all of these findings about research issue 1 concerning database marketing information identified that information held in the database has relevance for customer contact service. Overall, more information was captured in the database by high contact industries than the low contact industries. However, there were no major differences between the profit versus not-for-profit sectors in the type of information captured. Summarily, information collected was used mainly for promotionally focused activity with no consistent differences found between the for-profit degree of contact or the profit objective. The information collected was overtly used to enhance customer contact service but respondents did agree that input from different contact points would help streamline customer contact. This streamlining was limited at present due to poor linkages with the database. However, the low contact industries were more likely to report linkage attempts than the high contact industries.
5.3.2 Analysis of results for research issue 2: Information and standardised customer service

Research issue 2 asks ‘How is information utilised in the provision of standardised customer service and why?’ This question is examined in this section within the context of two themes identified in the data: the provision of standardised customer service and the role of information in standardised customer service. These themes were identified through analysis of question six (‘Does your company have specified customer services standards? Are there different levels of standards? How are these standards defined?’), question seven (‘To what extent does your company provide standardised customer service?’), question eight (‘What role does information play in standardised customer service in your organisation?’) and question nine (‘Who has access to this information?’) of the interviewer’s guide.

Theme 2.1 Provision of standardised customer service

This theme explores the level of standardised customer service provided by the case organisations followed by the observation that customer contact service is important as reflected in the use of customer service standards by all cases. These findings for theme 2.1 are checked against a survey of customers about customer service provision.

Firstly, the issue about how CCM was provided concerned the delivery of standardised customer contact service. That is, what is the nature of everyday customer service in the case organisations? Is the day-to-day customer service typically characterised by the provision of standardised, that is, non-customised customer service? For example, with CCM being a new concept in industry, it is assumed that standardised customer service is experienced everyday in most service environments where individual customer needs are attended to but in a superficial manner. Thus, standardised customer service has the opposite meaning to customised customer service. To measure the degree of standardisation of service a scale was developed, as shown in Table 5.4. At one end of the scale is ‘fully standardised service’ which indicates that all customers receive exactly the same service regardless of their needs. At the other end of the scale is ‘fully customised service’ which means
service is tailored entirely to the individual customer needs and takes into consideration the relevant content of past and future interactions. In between these two extremes on the scale is ‘mainly standardised service’ which means minor pieces of information about the customer are required to facilitate the service, for example the customer account number.

Table 5.4  **Degree of standardisation of service**

<table>
<thead>
<tr>
<th>Cases</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry</td>
<td>Healthcare</td>
<td>Hospitality</td>
<td>Gov’t</td>
<td>Finance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Degree</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fully standardised</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>Mainly standardised</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Customisation attempts</td>
<td>✔</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Mainly customised</td>
<td></td>
<td></td>
<td>✔+</td>
<td>✔+</td>
<td></td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Fully customised</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

Note: ✔ = category nominated; ✔+ = cases rated a high level on this scale; Shading to aid readability only

Source: analysis of field data.

Next is the category ‘customisation attempts’, which means that the organisation makes some effort to seek information from the customer to adapt the interaction to the customers individual needs. The next category, ‘mainly customised’, is evident when the organisation proactively provides service that takes into account past and future customer interactions but may not have the systems to facilitate this type of service at all contact points or in all situations.

The degree of **standardised customer contact service varied**, with no cases reporting service at either extremes of the scale, that is the provision of fully standardised or fully customised customer contact service, as shown in Table 5.4. That is, all cases customise customer service to some degree, but not fully. Customisation occurs because customer service is exclusive, that is, it is idiosyncratic in nature. For example, hotels respond to individual needs for room service, healthcare treat customers for specific ailments, financial services offer advice according to particular
conditions and government organisations respond to queries from individual ratepayers. Those cases with a tendency to customise were from the not-for-profit sector - healthcare and government industries. These two industries were more progressed with customer contact management as verified by the case/standardisation matrix illustrated in Table 5.4. No patterns were evident between low and high contact industries.

Paradoxically, the researcher observed that all industries produced formal ‘procedures’ that are followed in the provision of standardised customer service. For example, the financial cases illustrated a flowchart for handling enquiries about opening a new account and the healthcare organisations showed a manual with the ‘typical’ treatment path for ailments. This procedural approach provided a quandary in regard to following procedure whilst at the same time giving customised service. Thus, cases recognised that customer contact service is individual in nature. ‘We do not have standardised customer service due to the nature of the organisation’ (B:1). However, many routine procedures were standardised with only anomalies receiving customised attention. ‘We have a predetermined plan of care ... if something ‘goes wrong’ then we vary the plan’ (C:4). ‘The nature of the individual needs means that medical care is not standardised but perhaps service is’ (A:1).

This individual nature of customer service was reflected in the attitude by the case organisations that customer service is important and was demonstrated by all cases having defined customer service standards. ‘Definitely ...... we have call centre benchmarks’ (F:1). Customer service standards were raised because they act as a control in the provision of customer service. All industries were able to show their customer mantra and service standards. The customer service standards related mainly to time criteria as well as to the need to resolve customer needs. Both time and need satisfaction has relevance for CCM. ‘X amount of calls should be able to be resolved at the first point of contact’ (I:1). The organisations felt a degree of positive pressure from these standards as a means of measuring service performance. ‘We consistently meet or exceed these standards .... need to explain if we don’t’ (D:4).

The not-for-profit industries, government and healthcare, offered lesser degrees of standardisation (that is, their customer service was more customised to individual
needs) than the for-profit industries. This more advanced approach to customisation by the not-for-profit industries possibly reflects the differing stakes between the two types of industry. That is, not-for-profit organisations are more likely to be measured by their customers outcomes whereas profit organisations are more likely to see customer outcomes as a pathway to profit. For example, hospitals are not measured through producing a dividend but through ‘curing’ the maximum number of patients within their funding limitations (the equivalent to turnover in the profit sector). Accordingly their focus must be on customisation, that is, meeting individual needs. The corollary in the for-profit sector would be to increase the number of customers serviced at the lowest possible cost thereby increasing turnover (the equivalent to funding availability in the not-for-profit sector) and profit which intuitively leads to standardisation. There were no major differences between high contact and low contact industries in terms of the provision of standardised customer contact service.

**Customer survey analysis.** Customer’s experience of contact service was gauged by asking customers to what extent they felt the organisation was able to provide customised customer service as shown in Table 5.5. Analysis of this question (question 3 of the customer survey ‘To what extent do you feel the organisation is currently able to provide you with customised customer service at each of the contact points?’) showed service provision varied from truly standardised to highly customised depending on the contact point (columns A to E in Table 5.5).

The contact points of face-to-face and telephone were more highly customised than other contact points because of the ability and experience with communicating through these two commonly used contact points (columns A and B in Table 5.5). External staff, such as mobile nursing agencies and contract council workers, were also considered to be a contact point that was mostly customised (column F in Table 5.5).
Table 5.5  Customer experience of contact service – now and in 5 years time

<table>
<thead>
<tr>
<th>Row</th>
<th>Contact point Customer experience</th>
<th>Column A</th>
<th>Column B</th>
<th>Column C</th>
<th>Column D</th>
<th>Column E</th>
<th>Column F</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Truly standardised</td>
<td>Now</td>
<td>Now</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Minor customisation</td>
<td></td>
<td>Now</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Attempts but not consistent</td>
<td></td>
<td></td>
<td>5 years</td>
<td></td>
<td>5 years</td>
<td>5 years</td>
</tr>
<tr>
<td>4</td>
<td>Mostly customised</td>
<td>Now</td>
<td>Now</td>
<td>5 years</td>
<td>5 years</td>
<td>Now</td>
<td>5 years</td>
</tr>
<tr>
<td>5</td>
<td>Highly customised</td>
<td>5 years</td>
<td>5 years</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: the term ‘5 years’ refers to the degree to which customers expect the contact point to be able to provide customisation in 5 years time.
Source: analysis of field data.

Standardisation was more common with the remaining contact points of mail, web and email because customers do not yet see them as an easy method of interacting with a business. All contact points except external staff were thought to provide increasing levels of customisation over the next five years because of the need for efficiency and service. ‘Makes me feel respected’ (CG:3). ‘Closer contact with staff’ (CA:1). ‘Save time’ (CA:4). ‘Efficient…accurate’ (CG:9). There were no apparent differences in the customer experience of contact service between the two industries surveyed.

In summary, this theme shows standardised customer service was provided to varying degrees with customer service being recognized as an important element in customer interactions. The not-for-profit industries provided more customised service than the for-profit industries but no differences in service provision was evident between low and high contact industries.

Theme 2.2 Role of information in standardised customer service

This theme firstly identifies where information is sourced and secondly how it is used in the provision of standardised customer service. Firstly, in the provision of customer service, information was sought from customers by the case organisations and used to
identify and determine their needs during the interaction. This information was
gathered from a number of internal and external sources including documentation,
customers themselves, internal and external organisational sources. ‘Referrals …
clinicians notes …. history …. admissions …..treatment’ (A:1) . Firstly, documentation,
was usually provided by the customer in the form of an account or some promotional
material that they had received. This documentation provided a starting point to the
service interaction. Customers themselves also provided verbal information to aid the
provision of service commonly in the form of a request for a particular service or a
query. ‘They [customers] say what they want … who they are’ (A:5).

Information kept in the organisation was also sourced in some service interactions
because it provided a history of the customer relationship. For example, healthcare
professionals accessed clinical notes and hotels used the database to check guest
history. In some cases, external information was required to provide customer service,
for example, outside referrals. This internal and external information gained during
customer service encounters was used to help deliver different degrees of standardised
service identified previously in theme 2.1. The need to get information from
individual customers confirms that customers are not the same because each one has
unique queries, transaction history and needs. ‘[customers are] different even though we
have standard procedures [service] for different types of issues’ (A:1).

Another factor raised regarding the role information plays in standardised customer
service was how the history of the individual customer influenced the need to gather
information with most respondents revealing that more information was gathered
from new customers than from existing customers. ‘A one time stayer will be different to
a regular …. there are levels of importance with data’ (E:1). Clarification of the type and
amount of information was sought through observations of the data collection and
recording processes. This observation uncovered various sources including customer
responses to questions, documentation provided by the customer and file notes.

Secondly, this theme 2.2 looks at how the information is used in the provision of
standardised customer service. The information gathered by the organisations were in
the main collected for the purposes and benefit of the organisation rather than as a
means for using in more proactive customised service in subsequent customer
interactions. For example, information was seen as an avenue to make the organisation’s job easier. ‘[information makes us] more efficient, saves us time, eliminates repeat callers, automates tasks’ (G:2). Nonetheless, data on existing customers was important because it was a means of keeping customers happy for the purposes of repeat business. ‘The most important thing to them [customer] is continuity’ (B:1). Thus information was recognized as essential for general operating purposes in standard customer service and as an actual or potential source of customer service improvement.

Most interviewees reiterated that some information obtained during customer contact service was retained and subsequently used by the organisation, though mainly for general operating purposes, as stated earlier. This information was in some organisations/roles recorded immediately or very soon after the encounter and in other organisations/roles the information was kept and then recorded as a batch at the end of the day. ‘After the shift we give the information’ (D:3). This finding mirrors the analysis of research issue 1 about customer contact service and database marketing. That is, the information required the provision of customer contact service was at times difficult to access. Indeed, some organisations did not have a central or single customer file meaning that information gathering and storage involved, to some extent, organisational wide duplication of effort. ‘We print out a customer profile each day … probably each department would do this for each guest’ (D:1). However, others did report individual departmental customer records with a main record being held centrally. ‘Different areas may have different records but there is an overall patient record’ (A:1).

The reason for this duplication of effort was for ease of operation and access. Many respondents felt that it was easier and more reliable to have their own system of collecting and accessing data than having to rely on organisational wide systems. Operations and contact staff relevant to individual customer situations had the main access to the customer information and the respondents deemed the apparent ease of access relatively secure. ‘Privacy and security is important with the current situation … not all staff have access … we have passwords etc’ (H:1).
In brief, the role of information in standardised customer service was used to identify customer needs during the interaction with government and healthcare industries being more advanced with the provision of customised service and implementation of CCM. The findings show information can be gathered from customers, documentation, internal and external sources resulting in differing degrees of standardised service being offered to customers. Overall, this information was used to facilitate customer interaction but mainly for the benefit of the organisation rather than the customer.

In conclusion, all of these findings about research issue 2 show that information was used in standardised customer service to facilitate the service from an organisational perspective, particularly in the not-for-profit sector. In addition, there were no major differences between high contact and low contact industries in terms of the provision of standardised customer contact service. Summarily, information was gathered across all industries from four main sources, that is customers, documentation, and internal and external sources.

5.3.3 Analysis of results for research issue 3: Customer service integration with the database

Research issue 3 asks ‘What information from customer service transactions and/or interactions can be integrated into the database and why?’ This research question has similar wording to research issue one but is about using information from customer contact service for integration into the database rather than identifying information that is currently held in the database that is relevant to customer contact service. That is, research issue 1 looks at non-CCM aspects of database information whilst research issue three is working towards ways of developing linkages between customer contact service and the database for purposes of CCM. This question is explored in this section through two themes: accessing relevant information from customer contact service to database marketing and customer contact points as a foundation for the CCM database. These themes were identified primarily through analysis of question 10 (‘What information from customer service transactions/interactions, if any, would be useful to integrate into the database? Why/not?’), question 11 (‘Does access to these contact points vary according to customer need? Please elaborate’), question 12
(‘Do you expect customer contact points to change over the next five years? In what way? Why/not?’) and question 13 of the interviewer’s guide (‘What do you estimate the cost of doing business is for each contact point?’).

**Theme 3.1 Accessing relevant information from customer contact service to database marketing**

This theme identifies customer contact service information that is relevant for access through the database. The process of accessing this information for CCM purposes is also outlined. Firstly, a range of customer service information was identified as relevant for access and inclusion into the database for the purposes of CCM, as shown in Figure 5.2. That is, the customer service information relevant to the CCM database was classified by respondents into High, Medium and Low, as shown in the middle box of Figure 5.2. These classifications were developed through discussions with the respondents at interview. The most relevant type of information, which was rated ‘high’, concerned transactions so that staff would have better knowledge of customer activity (top of middle box of Figure 5.2). ‘It would be great to know what other products have been taken up’ (I:2).

The next most relevant information rated ‘medium’, were demographics; preferences and future needs as this helps provide deeper understanding of the customer and allows for proactive service. The least relevant, rated ‘low’, were concerns, complaints and psychographics. Thus, all of the information identified in Figure 5.2 is deemed relevant to varying degrees because it enables a more complete picture of the customer. ‘We have a wealth of information ….which would benefit everyone – but it isn’t linked’ (F:2). ‘I would love to just have one view of the customer’ (I:2).

Moreover, the type and importance of information was consistent across all cases and because CCM is in its early stages the information identified is what the cases aspire to access for customer contact service through the database. That is, the interviewees developed a ‘picture’ of what information was required and how it relates to the CCM process, as shown by the arrows indicating information flow in Figure 5.2.
The CCM process begins with the service provided at the customer contact points. This service encounter produces information for recording in the database that is then accessed again at the next service situation at the customer contact service points. Much of the information relevant to customer service was available throughout the organisation with some effort. The requirement of effort means the database is currently incomplete for customer contact management purposes. ‘Lots of different databases and record systems hold information’ (A:1).

Conversely, some information from customer service was considered inappropriate to collect because of inefficiencies and lack of merit. ‘Basic [interactions] … isn’t really of value to collect’ (G:2). Transferring this data from various organisational receptacles like contact points to a central marketing database was not done well. Indeed, most respondents felt access to contact points was a customer service issue regarded as a considerable and emerging issue because of the need to continually satisfy customers spiralling needs and expectations. ‘Nature and expectations of contact will change enormously … emphasis on service hasn’t been out there previously’ (I:2).

Body language of the interviewees during the discussions about accessing important customer information from other departments and contacts points ranged from mock despair to obvious frustration. This observation reinforces the effort required in getting access to relevant customer information.
In brief, theme 3.1 shows information currently or potentially gathered during customer contact service deemed as having relevance for inclusion in a marketing database for use during future interactions. This data has value in customer service strategy but this advance is currently limited due to the early nature of the issue. No differences were evident between the degree of contact or profit objective industries in identifying the relevance of information from customer contact service to the marketing database.

**Theme 3.2 Customer contact points as a foundation for the CCM database**

This theme examines the changing nature of customer contact points along with reasons fuelling these changes. Subsequently, this theme establishes customer contact points as a foundation for CCM. Firstly, customer contact points were considered a foundation for the development and maintenance of the CCM database. Furthermore, the growth and changing nature of customer contact points were identified as reasons for the increased necessity for customer contact point interactions to be integrated into the database for the purposes of customer service. Indeed, all case organisations thought the number and nature of contact point usage would change over the next five years, as illustrated by the case/contact point matrix in Table 5.6 that shows the degree to which the cases think the different contact points are used at present and in the future.

In essence, the cases reported that the usage patterns of contact points would alter over the next five years with some points such as the web, email, wireless and mobile or external staff to increase as shown by the ‘5 year’ column in Table 5.6. Other contact points would plateau and in some cases probably diminish, for example face-to-face and telephone. ‘Contact is changing .. we don’t see them [the customer] for as long .. we have interaction before they arrive .. when they go home they may have different type of contact need’ (C:2). As expected, the high contact industries of healthcare and hospitality used face-to-face more than low contact service industries. However, the finance industry thought that their face-to-face customer service activity would increase over the next five years whilst the government organisations thought face-to-face would diminish. This difference in predictions within the low contact cases might
be due to the finance sector responding to calls from their customers for better, more personalised service. Likewise, the web and telephone were more prevalent in the low contact services of finance and government.

Table 5.6  **Contact point usage: now and in 5 years**

<table>
<thead>
<tr>
<th>Case</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry</td>
<td>Healthcare</td>
<td>Hospitality</td>
<td>Gov’t</td>
<td>Finance</td>
<td>Healthcare</td>
<td>Hospitality</td>
<td>Gov’t</td>
<td>Finance</td>
<td>Healthcare</td>
</tr>
<tr>
<td><strong>Contact point</strong></td>
<td><strong>Now</strong></td>
<td><strong>5yr</strong></td>
<td><strong>Now</strong></td>
<td><strong>5yr</strong></td>
<td><strong>Now</strong></td>
<td><strong>5yr</strong></td>
<td><strong>Now</strong></td>
<td><strong>5yr</strong></td>
<td><strong>Now</strong></td>
</tr>
<tr>
<td>Web</td>
<td>L ⇑</td>
<td>L ⇑</td>
<td>L -</td>
<td>L ⇑</td>
<td>L ⇑</td>
<td>L ⇑</td>
<td>L ⇑</td>
<td>M ⇑</td>
<td>M ⇑</td>
</tr>
<tr>
<td>Email/fax</td>
<td>L ⇑</td>
<td>M ⇑</td>
<td>L -</td>
<td>L ⇑</td>
<td>L ⇑</td>
<td>L ⇑</td>
<td>L ⇑</td>
<td>L ⇑</td>
<td>L ⇑</td>
</tr>
<tr>
<td>Wireless</td>
<td>0 ⇑</td>
<td>L ⇑</td>
<td>X X</td>
<td>0 ⇑</td>
<td>0 ⇑</td>
<td>0 ⇑</td>
<td>-</td>
<td>L X</td>
<td>X</td>
</tr>
<tr>
<td>External/mobile staff</td>
<td>L ⇑</td>
<td>L ⇑</td>
<td>M ⇑</td>
<td>M X H -</td>
<td>X -</td>
<td>X</td>
<td>X</td>
<td>M ⇑</td>
<td>X X</td>
</tr>
</tbody>
</table>

Note: * H = high; M = medium; L = low; - = no change’ X = unable to answer; ⇑ = increasing usage; ⇓ = decreasing usage; 0 = contact point not available; Shading to aid readability only
Source: analysis of field data.

All industries considered the telephone would remain a constant contact point over the next five years and web usage to increase. In addition, non traditional contact points such as the email, wireless and mobile staff were thought to increase in usage over the next five years with the exception of the hospitality industry who were unable to provide an opinion about external and mobile contact points because it was not seen as applicable to their service provision.

Reasons for this change in the usage of contact points were four fold. Firstly *costs* associated with the provision and use of certain contact points was of prime concern. ‘There will be tremendous change … high cost points will diminish’ (F:2). This is somewhat a misnomer as only two cases expected the expensive and labour intensive face-to-face contact to diminish over the next five years. This anomaly is because many organisations are expecting other less costly contact points to rise rather than face-to-face to fall. Indeed, some cases where the client must be present, as is usually the case
in healthcare and hospitality, face-to-face contact was considered to be inescapable. However, most cases acknowledged communication about customers would be facilitated internally by CCM thus alleviating some of the need for repeated contact with customers. This facilitation of communication helps explain why case G predicted face-to-face communication to fall because of the increased availability of technology to take on tasks traditionally performed by staff. ‘Guests may also use technology to request breakfast etc’ (D:1).

Despite the potential displacement of face-to-face contact by technological contact the finance industry revealed thoughts away from the trend with an expectation that face-to-face contact would grow over the next five years. This apparent move away from the trend in other industries was because the industry is now considering face-to-face contact an opportunity for competitive differentiation.

This first factor of cost found the provision of contact points would increase because technology was seen as a cheaper resource. For example, technology based points such as the web, email and wireless technology were seen as attractive lower cost contact points. ‘Bookings will be more web based … more economical … better record keeping’ (A:3). ‘The Internet has been huge … exceeded expectations’ (I:2). The telephone would remain a central contact point despite some cases arguing that the telephone is not a cheap resource. Whilst telephone usage was already high there was still room for growth.

Whilst the organisations saw this economic value driving the change in contact point usage, an educative process would need to take place to ensure customers see the attractiveness of switching points. ‘It all depends on how we educate the customer’ (I:1). ‘Coach customers on how to use none face-to-face facilities and encourage them to switch’ (F:3).

The second factor raised to support the expected change in contact point usage was customer needs. This factor was split into two aspects, firstly that different customers have different needs and therefore will need different contact points. ‘Many different types of customers’ (B:1). ‘We are looking at developing more remote sites to suit different people’ (C:3). The second aspect is the evolving expectations and wishes of customers.
who are hopeful of being able to get service anywhere anytime. ‘We really want to encourage this channel [web] … even customers are wanting this move’ (F:3). ‘Customer needs are changing … expectations rising’ (A:2). Customers are also becoming more demanding of customer service and do not want to be inconvenienced. ‘We have to set up so service is seamless (B:3).

Another factor influencing contact point usage and related to the changing expectations of customers was the evolution of technology and service. Changing usage of contact points was being enabled by organisations recognizing the application of contact points such as the web, email and mobile technology. In addition customers embrace technology and are gaining the necessary skills and equipment to drive the development of alternate contact point. ‘Self help will grow’ (F:2).

Despite the customer benefits above it was expected that this change in usage would not be without worry or problems from the customer perspective because it takes time for people to accept and get used to change. ‘Web not really used as people aren’t used to it but could be in the future’ (A:2). ‘Concerns for communication getting lost in cyberspace’ (B:5). Furthermore internal organisational issues need development. ‘No one has a totally integrated electronic record …. particularly with external links’ (C:4).

The final contact point usage factor, nature of contact, promoted much discussion with most participants and it was established that different interactions call for different contact points. For example, complexity of some interactions makes face-to-face and/or the telephone mandatory especially for completeness and effectiveness. ‘Many interactions require physical conversations because everyone is different and it can be complex’ (I:1). ‘Phone is quicker but not always suitable’ (A:2). Conversely less complex needs can be just as effectively addressed via non-personal forms of communication. ‘Face-to-face is important for more complex needs and transactions … technology will increase for standard simple needs’ (H:3). A number of respondents pointed out that customer service and contact points aren’t always used for transactions but are equally important for support matters. ‘Contact is not always related to their care or a clinical issue’ (A:2).
Likewise, security was offered as a determinant for usage or non-usage of certain contact points. Indeed the more technological contact points were considered to be perceived as less secure by customers and as such may not be embraced as readily as more traditional contact points. ‘Restricted with what we can communicate through email …the mail is perceived as more secure’ (C:3). In addition, it was thought even with the growth of technological contact points that a physical presence was required in the market place. ‘Important to have a physical location for customer’ (H:3). Once again the service associated with personal contact points was seen as an important and distinctive element of an organisation’s offerings. ‘Trying to encourage customers to gain service through the call centre – branches are for sales’ (H:2).

Customer survey analysis. The usage by customers of contact points, now and predicted for five years time was derived from question two of the customer survey (‘What method/s do you use to contact or to conduct business with the organisation who gave you this questionnaire – now and in 5 years?’) and the results are shown in Table 5.7.

<table>
<thead>
<tr>
<th>Row</th>
<th>Contact points nominated as used most frequently by customers</th>
<th>Now (i) Frequency of nomination</th>
<th>5 Years (ii) Frequency of nomination</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Face-to-face</td>
<td>12*</td>
<td>11*</td>
</tr>
<tr>
<td>B</td>
<td>Phone</td>
<td>18 *</td>
<td>19*</td>
</tr>
<tr>
<td>C</td>
<td>Mail</td>
<td>3 *</td>
<td>3*</td>
</tr>
<tr>
<td>D</td>
<td>Web</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>E</td>
<td>Email</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>F</td>
<td>External</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

* number of times contact point nominated by the survey of 27 customers. Source: analysis of field data.

Face-to-face and telephone contact points are confirmed as most popular, (rows A and B in Table 5.7). This popularity was not predicted to change noticeably over the next few years (column ii, Table 5.7). Likewise, there was some preference for the mail as
a contact points as evident in rows C, the pattern shows little expected change in overall preference of contact points by customers (column ii, Table 5.7). None of the customers acknowledged the web, email or external staff as a method to conduct business with their organisation perhaps due to the customers being given the questionnaire by the organisation at the face-to-face contact points and therefore the less traditional contact points were not in their mindset.

In brief, theme 3.2 shows customer contact points are changing with some contact points expected to grow whilst others will plateau or decrease. All industries reported that the number and nature of contact point usage would change over the next five years. The use of the face-to-face contact point was more prevalent in the high contact industries and the web and telephone were more widespread in the low contact services. No major differences in relation to profit objectives were apparent in contact points usage. The four factors across all industries that contribute to this change in contact point usage are costs, customer needs, evolution of technology and service, and lastly the nature of customer contact.

All these findings about research issue 3 concern information from customer service interactions being integrated into the database. Indeed, all industries reported information from customer contact service had relevance to the marketing database as a means of improving customer contact service. Summarily, the information relevant to customer contact service commonly encompasses transaction data as well as demographics, preferences and future needs. This information is relevant for transfer to a storage receptacle as it may be of use for future contact by the customer. Furthermore, these opportunities for improved customer service have been predicted to grow because of the changing nature of contact points with some differences in contact point usage between the high and low contact industries. No major differences in relation to profit objectives were manifested in contact point usage. Furthermore, factors such as costs, customer needs, evolution of service and the nature of contact are driving this change in contact point usage and are consistent across all industries.

5.3.4 Analysis of results for research issue 4: Customised service
Research issue 4 asks ‘What is driving the opportunity for customised service and why?’ This question is discussed in this section using three themes uncovered in the data: the importance of CCM, the service gap and development of value measures for CCM. These themes were identified through analysis of question 1 (‘What is your understanding of customer contact management/customer contact service?’), question 2 (‘Where is your organisation in terms of individualised customer contact service?) and question 3 (‘In what way can information on individual customers gathered from all of their interactions with contact points be used?’) of the interviewer’s guide.

**Theme 4.1 Importance of CCM**

This theme justifies and builds the importance of CCM. Indeed, interview participants in general agreed with the definition of customer contact management used in this research (Section 2.7.1) and commented favourably on the need for business to address this concept. Moreover, all case organisations described CCM as important but that their organisation required improvements in its provision. Words like ‘important’ (A:1), ‘relevant’ (B:5), ‘necessary’ (C:1), ‘critical’ (H:3) were used to describe the feeling about CCM.

CCM is important to the cases. ‘Very important .. we do have a lot of repeat customers and look at ways to look after them’ (E:1). So, it is recognised that sharing information between different contact points can have a positive impact on customer relations. This concept of sharing of information for CCM is more proactive than the current sharing of information in standardised service discussed in theme 2.2. This sharing of information for CCM (theme 4.1) is an indication of what respondents aspire to. Indeed many cases declared they currently use concepts similar to CCM. ‘We always check our records for repeat customers because if they asked for brown sugar in their room last time we will automatically supply it for them again’ (D:1). ‘Our philosophy is to have patient issues resolved at point of first contact therefore CCM should not be a big issue’ (B:1). However no organisations professed a fully-fledged CCM system leaving room for improvement in the provision of CCM. ‘Repeat contact from the customer means that their first contacts have not been satisfactory…so if we can resolve things at each point of contact then it will help us and the customer’ (G:2).
Indeed, no case organisations were able to use CCM to its full potential because, amongst other factors, the current organisational philosophy towards customer contact prevented it. This philosophy manifested itself in the prevalence of transaction based systems rather than advanced relational systems. ‘Our systems are still transactional but hope to move to a more CRM focused system’ (F:2). ‘Whilst we would like to think that we are customer focused in reality we are probably more focused on sales … we collect information for our purposes more than for just improved service to the customer’ (H:1). Moreover contact in general has not been seen to require formal management. ‘Normal contact is not formally managed’ (B:1). However, it was acknowledged that opportunity existed to more formally manage customer contact.

This management of contact points was a communication issue between an organisation and its customers that enables the delivery of customised service. When discussing the notion of customised service it was agreed that success was dependant on making it simpler for customers to deal with staff and/or contact points. ‘A one stop shop’ (A:4). In addition it was contingent on having staff/contact points knowledgeable about individual customers. ‘[Contact point] almost able to deal with any contact issue’ (F:1). This was because customers may feel more comfortable and confident whilst interacting with the organisations that have knowledge of them, and as such customers may become more loyal. In addition, the organisation and staff would benefit from CCM because it would make it easier to give better service.

The validity of these claims was checked with the case organisations by asking if research had been conducted with customers to assess the level of interest in CCM. All industries testified to carrying out research on CCM as can be seen in the case/research matrix in Table 5.8. Some research was categorised as formal, that is, research specifically about contact management (top row of Table 5.8).

Informal research was also undertaken through talking with customers on an adhoc basis (middle row of Table 5.8). ‘We have no formal research or need for electronic systems but it [CCM] will be good for them [the customers])whether they like it or not, it will be good for us, it will be good for service’ (B:1). Whilst other research was incidental, that is, information was gathered on CCM as a result of research into other areas such as customer satisfaction (bottom row of Table 5.8).
<table>
<thead>
<tr>
<th>Cases</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry</td>
<td>Healthcare</td>
<td>Hospitality</td>
<td>Gov’t</td>
<td>Finance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Type of research</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Formal</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Informal</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Incidental</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: ✓ = respondents rated this category of research; Formal = research specifically about contact management; Informal = e.g. talking to customers on an adhoc basis; Incidental = information gathered as a result of research into other areas; Shading to aid readability only.

Source: analysis of field data.

It was reported that the results of research had been positive in terms of the desire for customised service. That is, no cases reported negative response about the move towards customised service or CCM. ‘Customers love it [CCM]’ (B:1). Although negative results reflecting the current system were highlighted. ‘About 35 percent of complaints probably relate to communication issues’ (A:4). ‘Trying to deliver consistency …. patients get concerned when different staff tell them different things’ (B:3). This attention to customer research reinforces the importance organisations are placing on CCM.

Overall, high contact industries used research more commonly than low contact industries probably due to the face-to-face access opportunities they have with their customers. No differences based on profit objectives were evident in regard to the amount of research conducted.

The outcomes of customer research by each of the healthcare cases was viewed by the researcher, and whilst the research was not specifically about CCM, there was ample evidence that communication between different contact points was a developing issue. Due to issues of access and confidentiality the customer research from the government, finance and hospitality industries was not viewed by the researcher but the overall impression given by each of the cases was that research indicated that customer contact management is important.

**Customer survey analysis.** The above research conducted by the case organisations about CCM is complemented by the outcomes of the customer surveys using question
four (‘Please rate the degree of customised service you would like to receive from the organisation’), question five (‘In your own words describe three benefits to you of customised customer contact service’) and question seven (‘How important to you is truly customised service’) of the customer surveys carried out for this research. All customers reported CCM to be important with the majority believing CCM to be very important as shown in Table 5.9. Customers nominated CCM as important because of service and efficiency reasons as noted in theme 2.1. ‘Less delay’ (CA:1). ‘Catering to your needs’ (CA:3). ‘Positive outcomes/feedback’ (CG:5).

<table>
<thead>
<tr>
<th>Not important</th>
<th>Minor Importance</th>
<th>Becoming Important</th>
<th>Important but not essential</th>
<th>Very important</th>
<th>N = 27</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>0</td>
<td>3</td>
<td>9</td>
<td>15</td>
<td></td>
</tr>
</tbody>
</table>

Source: analysis of field data.

In brief, all industries confirmed the importance of CCM. Despite this importance none of the cases in the industries had fully embraced CCM with the current situation reflecting a transactional rather than relational philosophy. This situation leads to further opportunity for CCM through customised service as supported by the research on CCM conducted by all organisations. However, high contact industries used research more commonly than low contact industries but there were no differences in the amount of research conducted based on profit objectives.

**Theme 4.2 The service gap**

This theme highlights a gap in service provision to customer relating to CCM. Secondly, the theme explores the issue of CCM and high value customers. Finally, current progress of CCM implementation is assessed followed by an overview of future implementation plans for the case organisations.

Firstly, many respondents were enthusiastic about the importance of CCM because it highlights a service gap. This service gap has an opportunity to have positive impact on customer satisfaction. ‘CCM is very relevant for customer satisfaction’ (I:2). ‘One size fits all is a 90’s view of the customer and is outdated … they are demanding more’ (F:3).
However some respondents were more cautious because of the practical implementation issues. ‘The concept is broad and doesn’t consider the day-to-day working issues involved in doing it’ (D:1). ‘Let’s hope that we don’t get like the Americans where electronic communication can be at the expense of service’ (A:1). These concerns will not be covered here but will be addressed in more detail under research issue 5.

Despite this anxiety, several plausible service issues were raised for CCM. These outcomes include convenience for customers and staff. ‘So they [customers] don’t have to run around for things (D:1). ‘Our vision is …each bed will have a computer or palm held where data can be updated and accessed immediately’ (B:1). The context in which customers are viewed was also seen as an opportunity so that different contact points can see the broader picture of the customer. ‘We would like to improve the context in which many of our customers are seen’ (H:1). In addition the need for better understanding of the customer and the subsequent opportunity for proactiveness and responsiveness was important. ‘Build a better profile’(D:1). ‘Need to be able to respond to contact from any medium in the future’ (F:2). Finally a basic service rationale was raised signifying CCM can help customers feel they are receiving attention ‘Feel like no-one is listening to them … seen as inefficient’ (B:5).

Secondly, the opportunity to provide customised service to only high value customers was suggested in stage one of this research (Section 3.6) but it was not judged necessary or viable by all industries in this stage two research. That is, the service gap that can be addressed by CCM is of relevance to all levels of customers. ‘We don’t really treat high value customers any different … communication essentially remains the same’ (D:1). The three reasons raised in the research for the universal nature of CCM were, the difficult execution of segmenting CCM for high value customers only, relevance, and missed potential.

Firstly, difficulty executing CCM for only high value customers was expressed because of the lack of agreement of what constitutes a high value customer. For example, high value can be measured in monetary terms, customer need, transaction history, length of customer association, by user or by purchaser. ‘It is relevant but how do you define? Borrowings, savings, product usage?” (H:3). ‘Humanitarian need not fiscal
need is the key to service provision for us’ (A:1). ‘Difficult to define high value customers – e.g. the guest, the organiser, the decision maker, the bill-payer’ (E:1).

The second reason was that separating high value customers from other customers was not considered necessary by most cases. Indeed most cases felt segregation of high value customer potentially discriminating because all customers had the right to be treated the same. ‘This might be relevant from a banking viewpoint but not for our business – we like to treat everyone the same” (F:1). ‘Not really relevant … need to do it across the board’ (G:4).

The final reason for not focusing solely on high value customers was the organisation being afraid of potential missed opportunity if lower value segment/s were ignored. Indeed the participants thought low value customers may still exhibit growth potential and therefore should be a focus of CCM. ‘We may miss opportunities with important customers if we only concentrate on high value customers so it isn’t really appropriate as even low value customers provide opportunity’ (I:1).

Nevertheless, opportunities have been identified earlier in this research theme and accordingly respondents were asked about their stratagem for CCM, or more specifically their progress in implementing CCM. All cases were in early stages of implementation with rankings ranging from not having commenced implementation to implementation started but with major issues to overcome, as indicated in the case/CCM progress matrix in Table 5.10. The hospitality and government industries rated themselves as more progressed in CCM implementation than the healthcare and finance industries but there were no specific patterns across the two types of industries.

One case that specified no progress towards CCM stated that CCM is very relevant for customer satisfaction (I:2) but that they were currently limited in their desire and ability to undertake more aggressive CCM implementation. Reasons for limitation include the complex nature of their products and internal systems. ‘We are very complex in terms of products we offer .. from different departments … we all use different systems so we can’t see details from different areas or interactions’ (I:1). Conflicting priorities were also a problem. ‘Some of our systems are very much manual based .. only
those in high demand get priority when it comes to technology development’ (I:1). These limitations, and others, are discussed fully under research issue 5.

Table 5.10  **Current progress towards CCM**

<table>
<thead>
<tr>
<th>Cases</th>
<th>Industry</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Healthcare</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Hospitality</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Gov’t</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Finance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Progress</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>None</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Early stage</td>
<td></td>
<td>✓</td>
<td>+</td>
<td></td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Major issues</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td>✓+</td>
</tr>
<tr>
<td>to overcome</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td>✓+</td>
</tr>
<tr>
<td>Minor issues</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>to overcome</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fully</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>implemented</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: ✓ = respondents nomination; ✓+ = respondents rated a high level within this category that borderlined to the next category; Shading to aid readability only
Source: analysis of field data.

Cases in the early stage of CCM implementation (healthcare and finance) in the main regarded themselves as providing tailored service but experienced problems with accessing previous data on customers. We offer tailored service of course but access to real time information and past conversations is limited’ (A:1). ‘We are low down the barometer due to access’ (B:1). Despite the same ranking cases still had varied attitudes toward the appeal of CCM with one case showing enthusiasm by speaking animatedly about their new customer communication standards (B:3) whilst another case felt further progress towards CCM wasn’t warranted in their organisation for reasons such as size. ‘Smaller branches don’t need this connectivity as they already know their customers through personal service ‘ (H:2). Indeed, whilst no clear pattern has arrived regarding cross-industry analysis, the finance industry reported to be less progressed in terms of CCM implementation compared with other industries.

However, implementation of CCM was seen as a continuing process, as shown by the case/CCM future plans matrix in Table 5.11. That is, the cases divulged where they expect to be in terms of CCM implementation over the next few years.
Table 5.11  

**Future implementation plans for CCM**

<table>
<thead>
<tr>
<th>Row</th>
<th>Industry</th>
<th>Cases</th>
<th>Cases</th>
<th>Cases</th>
<th>Cases</th>
<th>Cases</th>
<th>Cases</th>
<th>Cases</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>D</td>
<td>E</td>
<td>F</td>
<td>G</td>
<td>H</td>
</tr>
<tr>
<td>A</td>
<td>None</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>B</td>
<td>Early stage</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>C</td>
<td>Major issues to overcome</td>
<td>✓</td>
<td>+</td>
<td>✓+</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>1</td>
</tr>
<tr>
<td>D</td>
<td>Minor issues to overcome</td>
<td>✓</td>
<td>✓+</td>
<td>✓+</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>4</td>
</tr>
<tr>
<td>E</td>
<td>Fully implemented</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>4</td>
</tr>
<tr>
<td>F</td>
<td>In x time period (years)</td>
<td>2.5</td>
<td>-</td>
<td>4</td>
<td>-</td>
<td>-</td>
<td>3.5</td>
<td>1.5</td>
<td>2</td>
</tr>
</tbody>
</table>

Note: ✓ = respondents nomination; - = don’t know; n/a = not a priority; ✓+ = respondents rated high on this category with borderline to next category; Shading to aid readability only 
Source: analysis of field data.

Most cases envisioned significant progress over the next four years (as shown by row F in Table 5.11) with CCM implementation with all except one case expecting CCM to be nearly or fully implemented as shown in Table 5.11 (rows C, D and E). These implementation plans were further evidenced by top management pointing out operational plans involving service and contact point initiatives over the next few years. However it was acknowledged, particularly by the healthcare industry, that CCM is never completely implemented, as it is an ongoing process. ‘Difficult to say when – involves continual development’ (E:1). ‘Can never be fully implemented’ (C:2). No clear cross-industry pattern has emerged however government organisations were unanimous in their belief that CCM would be virtually implemented within the next few years.

In addition, the main outcomes for the implementation process over the next few years were integration of contacts points and data access because of the difficulty currently experienced in handling multiple contact points. ‘Need a client management system that handles multi contact points before we can go much further .. don’t really need to be there yet’ (G:2). ‘We have many locations around the world that need to be integrated’ (E:1).

In brief, theme 4.2 identified many opportunities for customised service to be of value to both the organisation and to the customer however it was agreed by all industries
that CCM for only high value customers was inappropriate. To this end most cases were in the early stages of implementing CCM with hospitality and government industries more progressed in CCM implementation than healthcare and finance. In terms of timing of CCM implementation no clear cross-industry pattern emerged.

**Theme 4.3 Development of value measures of CCM**

This theme explores reasons for and methods of measuring the value of CCM. Indeed, the commitment to continue with the implementation of CCM shows that organisations recognise the positive impact CCM can have on performance. This recognition is reflected in organisations attempting to embrace the spirit of CCM and the commitment of top management. ‘All employees embrace this concept. ‘It is our corporate philosophy’ (C:1). ‘Interestingly we don’t need to give good service – but we do – it is a top management priority and more efficient’ (F:1).

However, CCM comes at a cost and organisations were concerned about the difficulty of tangibly measuring the value of CCM. ‘Difficult to know how to measure .. tangible measures will be the best’ (H:3). ‘Difficult to judge how to measure value’ (C:2). Four methods of measuring the value of CCM were identified as shown in the case/measurement matrix in Table 5.12. These methods vary from an internal focus (row A of Table 5.12) to purely external focus (row D of Table 5.12). Firstly, internal reports were used universally across all industries to ascertain trends in a variety of organisational activities. Internal reports consisted of ‘sales’ data, complaint trends and usage figures. Customer surveys were next most popular and were used to measure perceptions, satisfaction and actions. Next were staff surveys that were used to assess staff attitudes, competence and performance. Lastly, general observations were reported to provide different information including the ease of interactions or management of contact as well as the observation of external activity by customers, lobby groups and competitors. The selection of these measurement tools were universal across industries with the exception of observation which was only used exclusively within the finance industry and by one of the hospitality cases.
### Table 5.12 Measurement methods for CCM

<table>
<thead>
<tr>
<th>Cases</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Healthcare</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>9</td>
</tr>
<tr>
<td>Hospitality</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>8</td>
</tr>
<tr>
<td>Gov’t</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>7</td>
</tr>
<tr>
<td>Finance</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>3</td>
</tr>
</tbody>
</table>

Note: ✓ = respondents nomination; Shading to aid readability only

Source: analysis of field data.

Analysing, combining and categorising the responses identified specific measures and outcomes to facilitate the above methods. That is, the specific measures were ascertained by the researcher going through each interview transcript to identify the types of measures brought up by the respondents during the conversations about the importance of measurability. These measures were then categorised into two groups and six sub groups and labelled. The two groups, efficiency measures and effectiveness measures as shown in Figure 5.3 along with the six sub groups as discussed next.

**Efficiency measures** include costs, time and space factors. Firstly, costs relate to the savings from duplication of effort, administration expense of manual systems as well as better understanding of individual customers leading to a reduced need to research. ‘Reduce cost of information access and copying as well as administration, time, courier and storage costs’ (G:4). ‘Duplication of effort will be diminished, the time it takes to satisfy needs will be reduced’ (F:3). Furthermore money will be saved through being able to better satisfy existing customers thus alleviating the need for expensive acquisition programmes. ‘Able to grow through current customers rather than relying on new ones’ (I:1). A final cost is reduced risk. Reduced risk is an efficiency measure because communication through CCM will reduce the propensity of failure in the eyes of the customers. ‘Reduced risk’ (C:3). ‘Save on medico legal issue’ (A:3).
The second efficiency measure identified was time. Time, like costs, was concerned with duplication of effort as CCM saves time with accessing information. ‘Front systems are working well but need to get end to end process and catch all contacts for completeness … there is a lot of duplication which is dangerous and inefficient … this problem will increase as contact points increase’ (F:3). Time was also a potential savings for customers because CCM helps prevent customers from having to retell their story at each interaction. ‘Customer satisfaction surveys show results. ‘There is nothing that frustrates a customer more than having to go through their story time and time again’ (F:3). Automation of tasks and a move towards electronic contact points were also considered tangible time savers.

Space was the final efficiency measure for CCM. Space referred to the savings organisations would achieve by having information from contact points recorded electronically in a database. Space would be saved as less information would need to be kept in manual storage systems. ‘Will free up a lot of physical storage space from manual files’ (G:4). Physical evidence of the magnitude of the current storage of manual data was observed in both the healthcare and government organisations.
The second category of value measures for CCM was *effectiveness* measures incorporating satisfaction, action and attitude, as was shown in Figure 5.3. Firstly satisfaction is a measure of effectiveness because it can assess a customer’s experience of service at each contact point (top of Figure 5.3). Satisfaction with service is currently measured extensively but measurement tools need to be adapted to incorporate CCM. Staff satisfaction also affects effectiveness because staff influence customer experience. ‘Keeping staff happy keeping customers happy’ (F.1).

Action is the second measure of CCM effectiveness (middle of Figure 5.3). Actions in the form of repeat transactions, movement to alternate contact points and cross or up selling can be quantified. Complaint action was another measurable factor. The number of complaints regarding service and/or communication issues reflect the success or otherwise of CCM. Currently communication is the basis of many complaints and therefore this measure is valuable. ‘Doctors are scared of being sued so communication is now more important to them’ (B:1). Actions of lobby groups are related to complaints and satisfaction because lobby groups represent the marketplace therefore details of the nature and number of lobby group actions would be insightful, particularly in healthcare.

The final measure of effectiveness was attitudinal (middle of Figure 5.3). Attitudes and perceptions of the market place towards the subject organisation along with relationship strength between the organisation and the customer contribute to the measurability of CCM. ‘Stronger relationships with our customers’ (F:2).

In brief, theme 4.3 identified four methods of measuring CCM ranging from internal to external tools. Specific value measures were also identified and have been categorised by either effectiveness or efficiency measures.

All this findings about research issue 4 established CCM as important to all industries and all customers, including low value customers. Implementation of CCM was in the early stages and was able to be measured through both effectiveness and efficiency means.
5.3.5 Analysis of results for research issue 5: implementation of CCM

Research issue 5 asks ‘How can individualised communication be incorporated into total customer contact service’? This question is discussed in this section using the three themes uncovered in the data: the process of implementation, optimisation of market factors and requirements for smooth CCM implementation. These themes were identified primarily through analysis of question 14 (‘In order to implement customer contact management, what contact points are relevant and what information implications arise from each of these contact points’), question 15 (‘To what extent is information currently shared across the departments and contact points in your organisation? In the main is it information or data that is shared?’), question 16 (‘what have been (or do you expect to be) the major issues in implementing customer contact management?’), question 17 (‘To what extent do you think that the philosophy behind CCM is understood in your organisation?’) and question 18 (‘What do you see as the drivers, if any, of CCM in your organisation?’) of the interviewer’s guide. Further probe questions were used to ensure respondents were specifically thinking about individualised communication in their responses.

Theme 5.1: The process of implementation

This theme explores more deeply the actual mechanisms of CCM implementation, that is, thoughts about the likelihood of a successful implementation process and required approach/es. None of the cases were fully implemented in terms of CCM as reported in theme 4.2. ‘Don’t think anyone is truly doing this at the moment but it will happen’ (C:1). Despite this lack of implementation progress most cases reported to be ahead of other organisations and industries in terms of the embracement of CCM. ‘We are one of the better hotels in terms of service’ (D:3). ‘No-one in our industry is doing this well but we probably lead the way as we are developing our own system to achieve this which won’t be able to be easily copied by our competitors’ (E:1).

This incomplete implementation manifested itself in problems with access to information from the various contact points in the organisation. ‘We cannot leverage information from different contact points easily’ (I:2). Accordingly symptoms of incomplete CCM implementation were evident with many cases experiencing surface CCM with many of the back office and behind the scenes activities still needing
attention. ‘Front systems are working well but need to get end to end process and catch all contacts for completeness’ (F:3). ‘Integration is multi faceted and very complex …the call centre is now perceived as the one stop shop even if it is just the lipstick on the bulldog’ (G:3).

In their desire to continue the implementation process of CCM, all industries anticipated problems which were either minor or within expectations as shown in the case/implementation smoothness matrix in Table 5.13. ‘There are always glitches’ (E:2). The high contact industries reported that they anticipate more problems with implementation than the low contact industries. However, overall CCM implementation was considered to be fairly smooth because the change process is a slow and continual one. ‘This change will not be fast and therefore should be smooth’ (H:1).

Table 5.13  **Smoothness of implementation for CCM**

<table>
<thead>
<tr>
<th>Cases</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry</td>
<td>Healthcare</td>
<td>Hospitality</td>
<td>Gov’t</td>
<td>Finance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Degree</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>Not at all smooth</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Major problems</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6</td>
</tr>
<tr>
<td>Problems but within expectations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>Fairly minor problems</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>Very easy to implement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0</td>
</tr>
</tbody>
</table>

Note: ✔ = approximate rating of smoothness by case (by most participants within each case); . Shading to aid readability only.
Source: analysis of field data.

Specific issues regarding implementation are explored under theme 5.3 but means of addressing the anticipated problems can be grouped into three categories: education, procedures, and resources. These categories were developed by analysing, collating and labelling the qualitative responses from case participants.
Firstly, the *education* of staff and of customers was raised as a means of addressing anticipated CCM implementation problems. Staff require information about the way CCM works as well as its importance. ‘Must educate staff re the importance of their role’ (D:2). ‘You need bright energetic staff who are willing to embrace new skill development and truly believe in customer service’ (H:2). Customers also need to be prepared for CCM to ensure the organisation meets customers needs and that customers are aware of the service options. ‘Must see from a customer perspective (G:3). ‘Managing the changes with the customer….what are their expectations and needs’(H:1).

Secondly, new *procedures* were important to reflect the expanded view of the customer. This expanded view will inevitably complicate interactions initially because of the amount information to deal with along with new systems. Consequently as well as the educative process identified above, careful preparation of policies and procedures is central to the success of CCM. ‘Guidelines in terms of procedure and things like privacy …coding data’ (I:1). Must be able to define your business process’ (E:2).

The final method to assist smooth implementation of CCM was *resources*. Resources related to time, money, personnel and systems. Time was considered a major resource requirement because all cases reported difficulty with carrying out their day-to-day activities let alone additional duties required to further implement CCM. ‘Cost and time to do this probably doesn’t justify it at the moment’ (G:2). ‘Time and money’ (A:2). Furthermore the funding of CCM was in conflict with many other projects and therefore formal allocation of funds has to be acted upon. ‘Want to work towards this but at the moment it isn’t really a priority’ (I:1). Recruiting, training, motivating and retaining appropriate personnel were seen as mandatory investments because staff were recognised as crucial components of the CCM mix. ‘Staff are important’ (D:1). ‘New skill mix means that you may not have staff for long and you need to continue to provide ongoing challenging jobs or else they move on’ (F:2). ‘Employing people with a wider skill base’ (F:1). Finally resource investment into systems was a key factor because technology and systems provide a basic platform for CCM. ‘Replace many of your backend systems’ (G:3).
A team approach was the main recommended process to implement CCM. This team, or committee approach helped ensure needs of the many stakeholders are represented making the outcome of CCM more valid. Indeed most departments of the organisation were mentioned as having some responsibility for implementation including human resources, information technology, operations and contact personnel but it was reiterated that no one department was solely responsible for the smooth running or implementation of CCM. ‘Clinicians…..if you don’t have their input it won’t work’ (A:1). ‘HR will help but will be a secondary role’ (A:1). ‘IT are not the users…may not always be informed well enough of needs’ (A:2).

In summary, theme 5.1 shows that whilst CCM has not yet been fully implemented, the case organisations considered their organisations ahead in terms of their embracement of CCM. All organisations expected smooth implementation of CCM with some minor problems expected with high contact industries anticipating more problems than the low contact industries. These problems can be addressed through education of staff and customer, the development of procedures and deployment of resources. Finally a team approach to implementation was thought best.

**Theme 5.2: Optimisation of market factors in CCM**

The imperative behind the implementation process described in theme 5.1 was driven by two broad categories of market factors: service requirements and organisational requirements as illustrated in Table 5.14. These market factors can be optimised as a way of delivering CCM. *Service requirements* include the issues of competitor activity, the need for non-price competition and consumer demands as shown in rows A, B and C of Table 5.14, and are discussed next.
In general, service requirements were consistent across industries with at least one case from each industry nominating one of the three components of service requirements. Despite most respondents ranking their CCM performance greater than other companies, competitor activity was recognised as a driving force for CCM implementation because competitors were embracing, or will be embracing CCM. Indeed CCM was considered to become the norm of customer service practice in the future. ‘Just about every organisation will working towards this if they want to remain current’ (H:1). ‘We need to market ourselves [against the competition] in the broader business community’ (G:4).

Non-price competition was another factor driving CCM because it was seen as an avenue to differentiate one organisation from another. This differentiation strategy was attractive to all industries, particularly the healthcare industry, because non price competition is difficult to copy. ‘No-one in our industry is doing this well but we probably lead the way …. Won’t be able to be easily copied by our competitors’ (E:1).

The final service requirement was consumer demand for better service. This demand is reflected in increased consumer expectations towards personal service and attention to detail. ‘Expectations towards quality, feedback from patients …often only little things need attention but they make all the difference’ (C:1). ‘Trying to make a more personal
approach … I guess its like turning the clock back which is good for customer service’ (H:1). Whilst all industries recognised consumer demands as a driving force, the cases from the hospitality industry were unanimous is recognising this factor.

Organisational requirements were the second category driving CCM implementation and encompass the need for efficiency, the desire for knowledge and a duty of care, as was shown in Table 5.14. Efficiency related to the propensity for organisations to do more with less by finding new ways to deliver service and other organisational activities. Only the healthcare industry were unanimous in nominating efficiency as a measure. Some of these efficiencies measures were evident in task automation, new technology, and contact points. ‘Efficiency … to do more with less staff” (G:1). ‘Able to appreciate what good technology, infrastructure and databases can provide’ (G:3).

Case organisations also had a need for knowledge about customers to enable the delivery of better and more proactive service. To provide this service the organisations need to gain knowledge about individual customers through the recording and access of appropriate customer information. ‘Information gathered on customers can be used to provide better individual service’ (A:4). ‘What is missing … is the ability to record … accessible’ (B:5). There were few patterns evident across industries in relations to knowledge except that hospitality were unanimous in their recognition of this factor.

Duty of care was the final driving force identified and has stemmed from increasing concerns about litigation in some cases, especially healthcare. CCM was seen as a vehicle to improve communication with customer through increased relevance and accuracy. This accuracy provides protection for both the organisation and the customer through provision of relevant communication and service. Indeed the costs of CCM were viewed by many cases as being offset by the savings in potential litigation. ‘Litigation is costly therefore this concept may be more cost effective in the longer term’ (A:3).

In brief, theme 5.2 identified service and organisational requirements as drivers of CCM. These requirements provided a platform for CCM to differentiate the company from their competitors through strategies that are difficult to copy as well as being beneficial to the customer and company. In general, the low contact industries nominated less market factors relating to CCM implementation that the high contact
industries. In addition, the for-profit industries also nominated fewer market factors than the not-for-profit industries mainly because of the tendency for the finance to not recognise the relevance of these market factors.

**Theme 5.3: Requirements in smooth implementation of CCM**

Several factors were recognised as requiring attention for the process of CCM implementation to run smoothly. Whilst these factors are reflective of the individual case organisations needs they also provide insights into implementation requirements in general, that is, all factors were considered relevant in all cases with the most important factors highlighted with a tick in Table 5.15. The number of factors nominated across the industries ranged on average between four and six with the exception of the hospitality industry who nominated an average of two as being most relevant for them.

<table>
<thead>
<tr>
<th>Industry</th>
<th>Healthcare</th>
<th>Hospitality</th>
<th>Gov’t</th>
<th>Finance</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>B</td>
<td>C</td>
<td>D</td>
<td>E</td>
</tr>
<tr>
<td>Management</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Qualified implementers</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Culture</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Technology</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Customer resistance</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Data privacy</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Data accuracy</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Amount of data</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Data accessibility</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Costs</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Skill match</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

Note: ✓ = potential/actual issue to overcome; ? = mixed responses from respondents; Shading to aid readability only. Frequencies have not been calculated for these factors as nomination was multiple and interviewees were asked to only nominate the most important. That is, if a factor is not ticked then the factor was still considered relevant but not most important. Furthermore, in some circumstances a case average was not possible because of differing views by the within case respondents. These circumstances are indicated by ‘?’.

Source: analysis of field data.
The factors originated from stage one research and were represented in the interviewer’s guide (question 16 Appendix B). It is worthy of note that several factors present on this interviewer’s guide were not of concern by the case organisations and therefore are not discussed in this section. All of the factors in this section were thought to be important considerations in implementation but none of the factors were considered insurmountable by respondents. ‘None of the barriers are prohibitive’ (E:1). These factors are discussed separately next and are illustrated in the case/implementation factors matrix in Table 5.15.

*Commitment by top management* was essential for the smooth implementation of CCM because their support facilitates CCM both financially and philosophically (row A of Table 5.15). ‘Important … for funding’ (G:3). The overall pattern that has emerged from the data indicated organisations have the commitment of top management for CCM. ‘The reason we are doing well is because of our commitment from top management’ (F:3). ‘Very supportive … this is essentially not negotiable’ (B:3). However this commitment was strained with other conflicting organisational priorities meaning that resources for CCM were at times restricted. ‘When it comes to committing funds to an ongoing project it can get a bit iffy’ (G:2).

Having people who are qualified to implement was a key issue for CCM with most organisations expressing concern in this area (row B of Table 5.15). This concern was focused around the complex nature of organisations and their products and services resulting in the need for knowledgeable implementers. ‘Experts in the complex area of our products’ (I:2). However it was acknowledged that suitable implementers could be found but the subsequent implementation process would be gradual and paved with trial and error. ‘Not a major problem … just overcoming the practicalities’ (B:3).

The third factor requiring attention for CCM was that of culture (row C of Table 5.15). Differing views of the cultural acceptance of CCM were evident from the data gathered with some respondents claiming staff appreciated the service ideals of CCM. ‘Most staff see the value of service’ (E:1). However other respondents felt the cultural aspects of CCM was one of the bigger issues because people are often resistant to change. ‘Some people get a bit hysterical whenever you introduce a change’ (B:1). I haven’t grown up with computers and don’t really want to learn them’ (A:4). Strategies to address
this issue were important to the success of CCM implementation and included the passage of time, education and training. ‘Initially a problem … do it through commitment, training’ (F:2). ‘Just needs time’ (B:2).

Fourthly, technology was an issue for CCM implementation but not insurmountably so (row D of Table 5.15). Indeed most cases believed CCM technology was readily available but barriers for access to it were present. ‘The technology is already available’ (A:3). These access barriers were three fold. Firstly some cases were waiting for a ‘better’ system. ‘The Rolls Royce system is promised to always be just around the corner’ (B:1). Others were developing their own systems. Thirdly some acknowledged that technology is an evolutionary process and therefore access to a complete CCM technological solution was currently not possible and probably never would be. ‘Evolutionary … can’t do everything at once’ (B:2) All three of these access barriers require time and money to address. Indeed limitations regarding solving technological barriers overwhelmingly related to resource allocation by management with many other organisational projects requesting support. ‘We are in the queue with other departments’ (G:4). Another large limitation related to the numerous legacy systems present. These legacy systems, by their nature, exhibit problems with access, space, integration and interaction. ‘Legacy systems …. Information is there but can’t be easily accessed’ (F:2). ‘Information systems don’t talk to one another’ (A:2).

Customer resistance was the fifth factor highlighted. It was a minimal problem because the case organisations reported that management and staff see value in CCM (row E of Table 5.15). ‘Definitely not an issue’ (B:5). ‘Our customers would like this so it will happen’ (G:4). The reasons for this confidence are because customers expect technological advancement and desire better service options. ‘Customers …. Are expecting and accepting of the all encompassing nature of technology’ (F:1). ‘Happy with increased service’ (E:1). However customer needs must be taken seriously when delivering CCM particularly in terms of having sound service systems because customer confidence can shatter if service difficulties are experienced. ‘Customer will need to have confidence …. Requires good training….easily navigate the systems’ (F:2). ‘Non personal communication methods may have negative connotations’ (B:5). Specific feedback from customer surveys shows in general they were in favour of CCM with
all respondents rating CCM as having importance. This favourable response from customers was discussed in theme 4.1.

Ambivalence was evident in regard to the issue of privacy, the sixth factor (row F of Table 5.15). This uncertainty about the relevance of privacy was probably because privacy received considerable press coverage during the time of data collection due to pending amendments to privacy legislation. ‘A real problem … with new legislation’ (I:1). ‘Government regulation is making this a hot issue for us’ (H:1). Despite this press coverage no case organisations felt privacy concerns prevented CCM but some organisations were aware of the need for caution. ‘Important needs passwords, menus etc’ (I:2). The reason for this acceptance of privacy was that privacy is an issue that is prevalent regardless of the customer management system. ‘We already deal with it’ (E:1). Indeed some cases felt the current (non-CCM) system was just as, or more, insecure than CCM. ‘Paper records are insecure too’ (B:1).

The seventh factor of data accuracy was important because case organisations thought accuracy would be improved through CCM (row G of Table 5.15). This improvement in accuracy was because of increased legibility of electronic recording systems, better accessibility to current data, more complete information records and better recording practices. ‘Data will be more accurate’ (B:1). ‘More complete’ (C:1).

This increased and more accurate recording of data brought some concerns about the amount of data to document, the eighth factor (row H of Table 5.15). Matters about the amount of data related to which data to record. For example during interactions with customers there are many data capturing opportunities that need prioritisation. This prioritisation may change with each encounter, contact point and time because customer contact is dynamic. ‘It is difficult to know what information we need to record’ (H:1). ‘An iterative process … narrative can change with time and emphasis’ (A:3). Another matter about the amount of data is its complexity. For example some data like account number, name and so on is relatively easy to record. Other data such as attitude, motivation, needs and complex transactions or products are more involved requiring interpretation and truncation during the data recording process. ‘Complex nature of products make this difficult in terms of collecting, recording …..data’ (I:1). ‘Much more
complex and interactive … a pathologist for example will want to see results in context of other consultants findings and not in isolation’ (B:1).

*Data access* was important in terms of procedures to facilitate access whilst protecting the security of the data (row I of Table 5.15). Both access and security of data were improved through CCM because electronic systems have mechanisms to track and restrict access. This restriction was by way of passwords and menus, neither of which is available to manual systems. ‘The more access you give the more security is an issue’ (E:1). ‘Overcome by passwords ….security is better with electronic formats because you can track access’ (A:3). Furthermore access to data is quicker with CCM and less likely to get ‘lost’ in its travels around the organisation. ‘Need audit trails…manual systems are probably less secure’ (F:3).

*Costs* relating to finance were of concern and are factor number ten (row J of Table 5.15). These concerns focused around conflicting priorities for resources, performance, and practicality. Conflicting priorities was a major concern due to the high cost of establishing CCM along with its maintenance. ‘It is not just a one off cost’ (D:2). It was recognised that CCM is not a one off cost and that it takes funding away from other initiatives. Some of these other initiatives were strong contenders for the funding and many cases intimated that more tangible projects get priority than CCM, which is sometimes perceived as a ‘feel good’ initiative. ‘How can you say you want to spend x amount just to make the customer feel good’ (H:1). ‘I wouldn’t say that it is too costly but it does take funding from other initiatives and it also takes time to get it right’ (G:3). Furthermore CCM has many unknown costs that are difficult to quantify prior to implementation. ‘The problem is that we don’t really know how much it will cost’ (H:3).

Cost and time in measuring the performance of the CCM investment were raised. Performance measures have been discussed in theme 4.3 but are mentioned here again because concerns were raised about finding the right measure of CCM and determining what is an acceptable level of performance. Moreover management needs to be confident of the value, that is, are the benefits of CCM greater than the costs, before implementation can proceed. ‘Need to determine how far we go for what cost’ (C:4). Finally the practicalities of integrating contact points meant resources need applying to staff and procedures adding further to the initial and ongoing costs of
CCM. These staffing practicalities are discussed in more detail next under the factor ‘skill match’.

*Skill match* between existing staff and those staff qualified to administer CCM were seen as relevant to successful implementation and was the final and 11th factor identified (row K of Table 5.15). Indeed, as mentioned earlier staff had to be multi-skilled and conversant in many products and consumer issues to be able to deal with customers seamlessly. ‘To be integrated and streamlined we would need our consultants to be accredited in many different products – very difficult’ (I:2). This perceived need for multi-skilling has meant staff must go from specialists to generalists so that they can answer a broader range of customer queries. Subsequently this trend towards generalist staff has pleased customers but not staff because the staff feel they loose their distinctive skill set. ‘Staff didn’t like it as they were no longer specialists…..customers loved it’ (B:1).

In addition, changing the skill base of staff has meant written and computer skills are of higher importance than previously. The staff recruitment processes reflect these new skills and the selection criteria have changed to accommodate CCM needs. ‘Change our selection criteria…instead of just verbal skills we need to ensure staff are literate’ (G:2). Many new graduates possessing these skills further facilitate the attainment of this new skill mix. ‘New graduates are already familiar with technology and what it can do’ (A:3). Furthermore the skills of existing staff need upgrading thus extending the time and financial resources of the organisation. ‘We have very good staff but skills need to be upgraded and this takes time and resources’ (C:2).

**Customer survey analysis:** Despite the positive acceptance of CCM by consumers surveyed, a minority of customers raised some apprehensions in their responses to question six of the customer survey (‘In your own words describe three concerns you may have related to customised customer contact service’). These concerns involved isolation, pressure on staff, data issues and privacy. Isolation was a concern because of the perceived potential of isolating the consumer through the trend towards non personal contact methods. ‘Less face-to-face may increase sense of isolation/loneliness’ (CA:4). In addition some customers thought that customised service would be an increased administrative load for the staff. ‘Bog down staff’ (CG:4).
Concerns about the accuracy and amount of data were raised as well as potential errors in data collection and recording, in particular the risk of incomplete information. ‘If staff think they have all info may assume they do’ (CA:5). Finally the security and privacy issues involving the information on customers being shared around a number of people with the organisation which could lead to security and confidentiality breaches. ‘If one has to make a complaint ….would be better to remain anonymous’ (CG:10). ‘Information available to a wider group of organisation personnel’ (CG:13).

In brief, theme 5.3 identified 11 factors that the case organisations reported requiring attention for the smooth implementation of CCM. None of these factors were considered formidable but provide a framework regarding anticipated hurdles. There were no major differences in the nomination of factors across industries except the hospitality industry nominated fewer factors than the other industries.

In conclusion, all these findings about research issue 5 showed service and organisational requirements are driving the implementation of CCM with the low contact industries nominating more drivers generally than high contact industries. In terms of implementation some minor problems were expected by the high contact industries. To aid these strategies 11 factors that need attention were identified for the smooth implementation of CCM. However, none of these factors were considered overwhelming. The hospitality industry nominated less factors than the other industries. Summarily, these three themes identified in research issue 5 show how individualised communication can be incorporated into total customer contact service.

5.3.6 Analysis of results for research issue 6: Feedback to the database

Research issue 6 asks, ‘How and why can feedback be incorporated into integrated database marketing? This question is discussed in this section using two themes uncovered in the data: identification of relevant contact points for CCM and the iterative nature of CCM. These themes were identified primarily through analysis of question 14 (‘In order to implement customer contact management, what contact points are relevant and what information implications arise from each of these contact
points?’), question 16 (‘What have been (or do you expect to be) the major issues in implementing customer contact management) and question 19 (‘How do you see the future of CCM?’) of the interviewer’s guide.

**Theme 6.1: Identification of relevant contact points for CCM**

This theme explores how feedback about customer interactions can be incorporated into integrated database marketing by identifying the relevant contact points for integration. Seven contact points were named in total as shown in the case/contact point matrix in Table 5.16. The most common contact points were face-to-face and phone (total rows A and B in Table 5.16). These two contact points were nominated across all industries for integration because of the high degree of contacts that occur at them.

<table>
<thead>
<tr>
<th>Cases</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry</td>
<td>Healthcare</td>
<td>Hospitality</td>
<td>Gov’t</td>
<td>Finance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contact point</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>Face-to-face</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>9</td>
</tr>
<tr>
<td>B</td>
<td>Phone</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>9</td>
</tr>
<tr>
<td>C</td>
<td>Mobile staff</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>7</td>
</tr>
<tr>
<td>D</td>
<td>Web</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>5</td>
</tr>
<tr>
<td>E</td>
<td>Email</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>4</td>
</tr>
<tr>
<td>F</td>
<td>Mail</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>3</td>
</tr>
<tr>
<td>G</td>
<td>Misc.</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>7</td>
<td>5</td>
<td>3</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>6</td>
<td>2</td>
<td>4</td>
<td></td>
</tr>
</tbody>
</table>

*Note: ✓ = category nominated as relevant; Misc = emerging contact points such as wireless technology; Shading to aid readability only.*

Source: analysis of field data.

Next most popular were mobile or external staff (total of row C of Table 5.16) because these staff have important and relevant interactions with customers. However at present it was difficult to establish CCM style external links because of the isolated nature of these ‘staff’. ‘No-one has a totally integrated electronic record … particularly with external links’ (C:4). Next was the email and web (total rows D and E of Table 5.16). These two contact points were important inclusions for CCM but had less emphasis.
for integration because these two points are relatively new to the organisation. The finance industry in particular queried the ability to integrate the web into CCM whilst the finance industry coupled with the hospitality industry expressed concerns about integrating another technology based contact point, email.

Mail was less commonly nominated (total of row F of Table 5.16) because of the difficult nature of transferring the information to a database. Mail was of particular concern for integration for the government industry. Miscellaneous contact points were least common because most contact points had been previously specified however wireless technology was mentioned by a minority of cases (total row G of Table 5.16). Specific issues involved with collecting, storing and accessing the data gathered from these contact points is beyond the scope of this research issue and is discussed in detail throughout research issues one to five, especially research issue five.

In summary, theme 6.1 identified seven contact points that can be incorporated into the database for integration. There were no major differences in nomination of relevant contact points between high and low contact industries. There was only one minor difference between the for and not-for-profit industries where email was not nominated as a relevant contact point for CCM by the for-profit sector.

**Theme 6.2: The iterative nature of CCM**

This theme explores why feedback of customer information from various customer contact points can be incorporated into integrated database marketing. Feedback is crucial to CCM because it is the mechanism by which the database is kept current and relevant. Indeed this feedback provides an iterative, up-to-date and complete picture of individual customer interaction. ‘Need to integrate the communications’ (E:1).

Furthermore, it is part of an evolutionary process where many case organisations have envisaged a virtually closed marketing information system through CCM in the future. ‘We have been working on this for sometime…we have always expected to be able to close the loop in terms of contact’ (F:2). ‘Will continue to happen with integration and data access’ (B:1). This issue of the importance of feedback is covered in more detail in research theme 3.1 and research issue 4 (Sections 5.3.3 and 5.3.4).
In brief, theme 6.2 confirms that feedback of information to the database is important for the completeness of customer records. In turn this feedback provides a strong information base to fuel CCM. All industries concurred about the issue of feedback and CCM.

In conclusion, research issue 6 has found feedback can be integrated into database marketing through the connection of the various contact points. The degree of contact did not impact on the nominations of these contact points but email was not nominated by the for-profit sector. Furthermore feedback from these contact points provides the platform for delivery and management of customised customer service.

5.4 Conclusions about the research issues

This chapter analysed the data gathered from the nine case organisations in the second stage of this research as well as the customer surveys. This analysis used cross-case analysis to address each of the six research issues.

Information inputs from database marketing to customer contact service were identified and considered to be an element in streamlining customer contact service (RI1). Next, the information used in delivering customer contact service was designated as coming from four main sources (RI2) and was considered suitable for integration into the customer database as a means of improving customer contact service (RI3). This combination of customer contact service data and database marketing were found to present many unresolved opportunities for staff and customers (RI4). Executions of these opportunities were being driven by organisational and service requirements but several factors were identified that needed attention before individualized communication can be fully incorporated into total customer contact service (RI5). Finally, delivery of total customer contact service is by way of connecting the various customer contact points used, in turn, this connection leads to feedback to the database information system to close the CCM loop (RI6). Summaries of these findings are given in Table 5.17 and encompass each of the six research issues along with their corresponding themes.
<table>
<thead>
<tr>
<th>RI</th>
<th>RI description and section</th>
<th>Theme findings for each research issue</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>What information relevant to customer contact service is utilised for database marketing and how? (Section 5.4.1)</td>
<td><strong>1.1 Information and its uses in database marketing</strong>&lt;br&gt;• Demographics and transactions are most commonly being utilised with some use of future needs, psychographics, preferences and complaints&lt;br&gt;• This information is either held in the records or marketing departments and was collected through normal daily business activities&lt;br&gt;• None of the case organisations reported customers being unhappy with their data being held by the organisations&lt;br&gt;• High contact industries captured more information in their marketing databases than the low contact industries with no major differences evident in the type of information captured based on the issue of profit versus not-for-profit sectors.&lt;br&gt;• The database was used for marketing purposes, mainly promotionally focused telephone and/or mail contact activities.&lt;br&gt;• No consistent differences were found between the degree of contact or the profit objective in terms of data usage.</td>
</tr>
<tr>
<td>2</td>
<td>How is information utilised in the provision of standardised customer service and why? (Section 5.4.2)</td>
<td><strong>2.1 Provision of standardised customer service</strong>&lt;br&gt;• The degree of standardised customer contact service varied with no cases reporting to provide either fully standardised or fully customised customer contact service&lt;br&gt;• That is customisation occurs within all cases because of the nature of customer service&lt;br&gt;• The contact points of face-to-face and telephone were more highly customised than other contact.&lt;br&gt;• Standardisation was more common with the mail, web and email because customers do not yet see them as an easy method of interacting with a business&lt;br&gt;• Those cases with a tendency to customise were from the not-for-profit sector - healthcare and government industries.&lt;br&gt;• No patterns were evident between low and high contact industries.</td>
</tr>
<tr>
<td>RI</td>
<td>RI description and section</td>
<td>Theme findings for each research issue</td>
</tr>
<tr>
<td>----</td>
<td>----------------------------</td>
<td>----------------------------------------</td>
</tr>
<tr>
<td>2.2</td>
<td>Role of information in standardised customer service</td>
<td>Information for standardised customer service was gathered from a number of internal and external sources. The history of the individual customer influenced the need to gather information with more information gathered from new customers than from existing customers. Information was used in standardised customer service to facilitate the service from an organisational perspective, particularly in the not-for-profit sector. There were no major differences between high contact and low contact industries in terms of the provision of standardised customer contact service.</td>
</tr>
</tbody>
</table>
| 3 | What information from customer service transactions and/or interactions can be integrated into the database, and why? (Section 5.4.3) | **3.1 Accessing relevant information from customer contact service to database marketing**<br>Accessing information is important because it provides a more complete picture of the customer. The most important type of information concerned transactions, followed by demographics; preferences and future needs. The least important information was concerns, complaints and psychographics. Much of the information relevant to customer service was available throughout the organisation with some effort. No differences were evident between the degree of contact or profit objective industries in identifying the relevance of information from customer contact service to the marketing database.  
**3.2 Customer contact points as a foundation for the CCM database**<br>Customer contact points were considered a foundation for the development and maintenance of the CCM database. The growth and changing nature of customer contact points were identified as reasons for the increased necessity for customer contact point interactions to be integrated into the database for the purposes of customer service. Usage patterns of contact points would alter over the next five years due to issues regarding costs, customer needs, evolution of technology and service, and finally the nature of contact. The use of the face-to-face contact point was more prevalent in the high contact industries and the web and telephone was more widespread in the low contact services. No major differences in relation to profit objectives were apparent in contact points usage. |
<table>
<thead>
<tr>
<th>RI</th>
<th>RI description and section</th>
<th>Theme findings for each research issue</th>
</tr>
</thead>
</table>
| 4  | What is driving the opportunity for customised service and why? (Section 5.4.4) | **4.1 Importance of CCM**  
- There is a need for business to address CCM.  
- No organisations professed a fully-fledged CCM system  
- CCM makes it simpler for customers to deal with staff and/or contact points.  
- There was no negative response about the move towards customised service or CCM based on research conducted by the organisations  
- High contact industries used research on CCM more commonly than low contact industries but there were no differences in the amount of research conducted based on profit objectives.  

**4.2 The service gap**  
- The service gap which can be closed by CCM include increased convenience for customers and staff, an holistic context and better understanding of customers and the opportunity to practice proactiveness and responsiveness in service.  
- CCM is relevant to all levels of customers – not only high value customers.  
- All cases were in early stages of CCM implementation with hospitality and government industries more progressed in CCM implementation than healthcare and finance  
- Significant progress was envisioned with CCM implementation over the next four years.  

**4.3 Development of value measures of CCM**  
- CCM has a positive impact on performance.  
- There are concerns about the difficulty of tangibly measuring the value of CCM.  
- Internal reports, customer surveys, staff surveys and general observations are tools currently used to measure CCM.  
- Two categories of value measures were identified - Efficiency measures including costs, time and space factors and Effectiveness measures incorporating satisfaction, action and attitude |
| 5  | How can individualised communication be incorporated into the total customer contact service? (Section 5.4.5) | **5.1 The process of implementation**  
- The case organisations were unable to cite any organisations that were fully implemented or who were practicing CCM optimally.  
- All industries anticipated problems with CCM implementation but these problems were either minor or within expectations.  
- High contact industries reported more problems with implementation than the low contact industries.  
- Three means of addressing the anticipated problems were education, procedures and resources. |
<table>
<thead>
<tr>
<th>RI</th>
<th>RI description and section</th>
<th>Theme findings for each research issue</th>
</tr>
</thead>
</table>
| 5.2 | Optimisation of market factors in CCM | - The imperative behind the implementation process was driven by two broad categories of market factors: service requirements and organisational requirements. Service requirements include the issues of competitor activity, the need for non-price competition and consumer demands. Organisational requirements encompass the need for efficiency, the desire for knowledge and a duty of care.  
- These requirements provided a platform for CCM to differentiate the company from their competitors through strategies that are difficult to copy as well as being beneficial to the customer and company.  
- In general, the low contact industries nominated less market factors relating to CCM implementation than the high contact industries.  
- In addition, the for-profit industries also nominated less market factors than the not-for-profit industries. |
| 5.3 | Requirements in smooth implementation of CCM | - Eleven factors were identified for considerations in CCM implementation - none of the factors were considered insurmountable. These factors include commitment by top management, having people who are qualified to implement CCM, an appropriate CCM culture, appropriate technology, minimal customer resistance, procedures to protect privacy, protocol to ensure data accuracy, awareness of the amount of data collected and subsequent implications, access to data, costs of implementation and maintenance and finally poor skill match.  
- There were no major differences in the nomination of factors across industries except the hospitality industry nominated fewer factors that the other industries. |
| 6 | How and why can feedback be incorporated into integrated database marketing? (Section 5.4.6) | 6.1 Identification of relevant contact points for CCM  
- Seven contact points were identified as relevant for integration through CCM. These were face-to-face, phone, mobile or external staff, the email, web and least commonly the mail.  
6.2 The iterative nature of CCM  
- Feedback is crucial to CCM because it is the mechanism by which the database is kept current and relevant and provides an iterative, up-to-date and complete picture of individual customer interaction. |

Source: developed for this research.
Chapter 6  Conclusions

6.1  Introduction

The purpose of this research was to examine the problem of ‘How and why can customer contact services use information from database marketing to provide customised customer service?’ Chapter 1 introduced the research problem in the context of customer service and database marketing and justified it by the lack of prior research tying together these two areas.

Chapter 2 reviewed the literature and identified gaps relevant to the research problem. Firstly, the key terms of customer service and customer contact services were defined. The first parent theory of customer service was introduced and examined through the framework of marketing of services. Customer contact service, customer contact points and the role of information and other management issues were also presented. The second parent theory of database marketing was explored through literature on the characteristics of database marketing and developments in database marketing. Key constructs from the two parent theories were brought together to form the foundation of a new theoretical framework on customer contact management. From the theoretical framework six research issues were established and are summarised in Table 6.1.

Table 6.1  Research issues for this research

<table>
<thead>
<tr>
<th>Research issue</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research issue 1</td>
<td>What information relevant to customer contact service is utilised for database marketing and how?</td>
</tr>
<tr>
<td>Research issue 2</td>
<td>How is information utilised in the provision of standardised customer service and why?</td>
</tr>
<tr>
<td>Research issue 3</td>
<td>What information from customer service transactions and/or interactions can be integrated into the database, and why?</td>
</tr>
<tr>
<td>Research issue 4</td>
<td>What is driving the opportunity for customised service and why?</td>
</tr>
<tr>
<td>Research issue 5</td>
<td>How can individualised communication be incorporated into the total customer contact service?</td>
</tr>
<tr>
<td>Research issue 6</td>
<td>How and why can feedback be incorporated into integrated database marketing?</td>
</tr>
</tbody>
</table>

Source: developed for this research, copied from Section 2.17.
In turn, Chapter 3 presented and justified the methodology used for stage one of this research. This first stage of research used convergent interviewing involving nine in-depth interviews. Next, Chapter 4 identified the case research methodology that was used in the second stage of this research. The criteria used for judging the quality of case research was described along with case selection and data collection techniques. Ethical considerations and limitations of case research were identified along with strategies used to address them. In addition, Chapter 4 detailed the role and outcome of the one pilot study used.

Then Chapter 5 used content analysis to analyse the findings from the nine cases used in stage two of this research. This analysis was structured using figures and tables to show the patterns found in the data, as well as quotations for supporting evidence and triangulation.

Finally, Chapter 6 presents the main conclusions from the research followed by a summary of the conclusions for each of the six research issues and the research problem overall. The findings in Chapter 5 are compared to the literature. Implications of this research for theory and practice are made along with suggestions for further research. An outline of the chapter is shown in Figure 6.1.

Figure 6.1  **Outline of Chapter 6**

```
Conclusions from the research (section 6.2)

Conclusions about the research problem (6.3)

Implications for theory (6.4)  Implications for practice (6.5)

Limitations (6.6)

Further research (6.7)
```

Source: developed for this research
6.2 Conclusions from this research

The findings from Chapter 5 have been summarised into three main areas of conclusions. These three conclusions are discussed in detail next and show how standardised customer service can be transformed into customised customer service through information, opportunities, ability and feedback as shown in Figure 6.2. That is, from the analyses in Chapter 5 three main conclusions are drawn. These three conclusions have been developed, rather than one for each of the six research issues, to avoid duplication among the findings and to provide a clearer base for the new theoretical framework.

Figure 6.2 Summary of conclusions for this research: transforming standardised customer service into customised customer service.

Note: bold type indicate the 3 main conclusions from this research.
Source: developed for this research.

The three main conclusions from this research are each made up of components, as shown in Table 6.2. These components, or sub conclusions, are based on combinations of the research issues, to avoid duplication as mentioned above (column A of Table 6.2). In other words, each of the research issues are covered in this
discussion. Firstly, in conclusion one, information from the marketing database and customer service interactions and feedback can be used to improve customer service, incorporating research issues 1, 2, 3, 4 and 6. Secondly, conclusion two identifies that there are opportunities for customer service using customer contact management, incorporating research issue 5. The third and final conclusion is about the ability to implement customer contact management, incorporating research issue 6. These three conclusions are discussed next in Sections 6.2.1 to 6.2.3.

Table 6.2  Identification of the three main conclusions of this research in relation to the research issues and theme findings.

<table>
<thead>
<tr>
<th>RI</th>
<th>RI description and section</th>
<th>Theme findings for each research issue</th>
<th>Conclusion</th>
</tr>
</thead>
</table>
| 1  | What information relevant to customer contact service is utilised for database marketing and how? (Section 5.4.1) | 1  Information and its uses in database marketing  
1.2 Linkage of database marketing to customer contact service | Conclusion 1 Information |
| 2  | How is information utilised in the provision of standardised customer service and why? (Section 5.4.2) | 2.1 Provision of standardised customer service  
2.2 Role of information in standardised customer service | Conclusion 1 Information |
| 3  | What information from customer service transactions and/or interactions can be integrated into the database, and why? (Section 5.4.3) | 3.1 Accessing relevant information from customer contact service to database marketing  
3.2 Customer contact points as a foundation for the CCM database | Conclusion 1 Information |
| 4  | What is driving the opportunity for customised service and why? (Section 5.4.4)             | 4.4 Importance of CCM  
4.5 The service gap  
4.6 Development of value measures of CCM | Conclusion 2 Opportunity |
| 5  | How can individualised communication be incorporated into the total customer contact service? (Section 5.4.5) | 5.1 The process of implementation  
5.2 Optimisation of market factors in CCM  
5.3 Requirements in smooth implementation of CCM | Conclusion 3 Ability |
| 6  | How and why can feedback be incorporated into integrated database marketing? (Section 5.4.6) | 6.1 Identification of relevant contact points for CCM  
6.2 The iterative nature of CCM | Conclusion 1 Information |

Note: Sections for the second column refer where the issue was developed, and numbers for the theme findings are from Table 5.17  
Source: developed for this research.
In addition, the discussion in this section compares these conclusions to the literature to show where the findings confirm and/or extend existing knowledge as shown in Table 6.3. Three levels of contribution to the literature are made of ascending levels of importance with:

- level one confirming existing explicit literature,
- level two confirming implicit assertions, and
- level three extending the literature by introducing new data

These levels are shown in Table 6.3 column iii. In this chapter, the term ‘literature’ refers to the literature reviewed in Chapter 2 about the parent theories and the new theoretical framework, before the stage two data was collected. This literature was updated when this chapter was prepared to include any new literature specific to the three research conclusions.

<table>
<thead>
<tr>
<th>Conclusion number and descriptor</th>
<th>Conclusions</th>
<th>Contribution Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conclusion 1: INFORMATION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1) Information from the marketing database and customer service interactions can be used to improve customer contact service</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1 Common input into the marketing database are transactions, demographics, future needs – all have relevance to customer contact service</td>
<td>Level three – extends literature</td>
<td></td>
</tr>
<tr>
<td>1.2 Links between customer contact points and database are currently weak</td>
<td>Level two – confirms implicit assertions</td>
<td></td>
</tr>
<tr>
<td>1.3 Information gathered from customers, documentation and, other internal and external sources is used in the delivery of customer service</td>
<td>Level two – confirms implicit assertions</td>
<td></td>
</tr>
<tr>
<td>1.4 Customer service is customised to a limited degree</td>
<td>Level three – extends literature</td>
<td></td>
</tr>
<tr>
<td>1.5 Information (transactions, demographics, preferences/future needs) gathered during customer service interactions can be included in the database for use during future interactions with individual customers</td>
<td>Level two – confirms implicit assertions</td>
<td></td>
</tr>
<tr>
<td>1.6 Customer contact service is changing because of costs, customer needs, evolution of technology and service, and the nature of contact.</td>
<td>Level three – extends literature</td>
<td></td>
</tr>
<tr>
<td>1.7 Information from seven contact points are identified for integration into the database and are crucial feedback mechanisms for the database</td>
<td>Level two – confirms implicit assertions</td>
<td></td>
</tr>
</tbody>
</table>
### Conclusion 2: OPPORTUNITY

2) There are opportunities for customised service using customer contact management

- 2.1 The opportunities for improved customer contact service include the need for convenience for staff and customers, responsiveness and pro-activeness
- 2.2 Customised service is relevant to all customers
- 2.3 These opportunities for improved customer contact service include measures of effectiveness and efficiency

Note: contribution level 1 = confirms existing explicit literature; contribution level 2 = confirms implicit assertions within the literature; contribution level 3 = extends the literature by introduction of new data.

Source: analysis of field data.

### Conclusion 3: ABILITY

3) Customer contact management can be implemented

- 3.1 CCM is in the early stages of implementation
- 3.2 CCM implementation is being driven by service and organisational requirements
- 3.3 There are 11 influencers that assist the smooth implementation of CCM

Note: contribution level 1 = confirms existing explicit literature; contribution level 2 = confirms implicit assertions within the literature; contribution level 3 = extends the literature by introduction of new data.

Source: analysis of field data.

#### 6.2.1 Conclusion 1: Information from the marketing database and customer service interactions can be used to improve customer contact service.

This conclusion is made up of seven components and is based on a combination of findings about research issues 1, 2, 3, 4 and 6, as shown in Table 6.2

**Conclusion 1.1 Inputs into the marketing database with relevance to customer contact service are transactions, demographics and future needs.**

In the literature, information is a central component of a database and it is the type and use of this information that can be one of the determinants of organisational success (Schoenbachler et al. 1997; Colgate & Danaher 2000). Indeed, marketing databases hold and utilise a plethora of information starting from basic transaction data and the personal details of the customer (Forcht & Cochran 1999; Kahan 1998; Rowley 1999), as well as campaign and/or strategy-related fields (Roberts 1997).

In turn, the findings of this research extend that literature by identifying for the first time three main data types held in the database relevant for customer contact service: transactions, demographics and future needs (Section 5.4.1). That is, the literature has
not tied the information to customer service in the way that this research does. For example, Galbreath and Rogers (1999) identify that information can be collected from organisational touch points and Pitta (1998) states that this information can be used in the database to help a company to remember customer details but neither of these academic papers specify the type of data. This research builds on their work by identifying the type of information specific to customer service strategy.

In brief, my contribution is that the findings show the data identified above is used throughout database marketing and customer contact service to link the two data opportunities of customer service and database marketing. This conclusion is a level three contribution because it extends the literature (Table 6.3 column iii).

**Conclusion 1.2 Links between customer contact points and the database are weak.**

In the literature, links between customer contact points and the database are important because information is increasingly derived from numerous sources throughout the organisation (Domegan 1996; Spencer-Matthews & Rao 2003). Indeed, to improve customer service interactions marketers need to generate feedback through their database to cater for future customer needs (Rich 2000). Thus the literature indicates information links are important to service quality but does not explicitly explore the link between customer contact service with the database. Indeed, the services and service quality literature discusses the notions of inseparability and heterogeneity (Zeithaml & Bitner 1996) but does not specifically relate it to CRM nor CCM.

In turn, the findings of this research go beyond the literature because they are about CCM. This research agrees with the published literature that information can be used for customer service purposes. For example, superior customer service can be provided if there is not visibility or knowledge about the customer across the various customer contact points (Bradshaw & Brash 2001). However, this research highlights poor linkages between these various customer contact points, or information sources, within organisations and the database (Section 5.4.1). This research demonstrates that organisations aspire to creating better information do access these poor linkages. Furthermore, this research advances discussion of databases in the services and
services quality literature by introducing customer contact management as a consideration in service management. For example, customers evaluate their service experiences by the quality of service received during interactions building on Zeithaml & Bitner (1996) and the process of delivering this service involves issues such as information access supporting Gilmore (2001) which impact on the service experience (Palmer 1994). This conclusion is a level two contribution because it confirms implicit assertions in the literature (Table 6.3 column iii).

Conclusion 1.3 Information gathered from customers, documentation, other internal and external sources are used in the delivery of customer service.

The nature of customer contact during customer service means information to aid service delivery comes from many different contacts points at varying times of the day (Dawes & Rowley 1998; Gutek 1995; Palmer & McCole 2000; Rich 2000). This research confirmed the delivery of customer service involves information (for example Dawes & Rowley 1998; Palmer 2000; Section 5.4.2). Indeed, these Australian findings support US work by Wathen and Anderson (1995) that information is usually required even for typically standardised service because customer service is about interactions (Parasuraman 1998). The research also agrees with multi-country work by Alexander and Colgate (2000) that standard customer service provides potentially useful information for managing customer relations.

However, this current research adds to this body of knowledge by identifying specific information inputs for customer service, that is, input from customers, documentation and other internal and external sources (Section 5.4.2). In addition, this research shows how customer service combines the use of information from contact point interactions as well as other information from within or outside the organisation. This use of information from various sources such as from the back office, front office and external parties complements previous literature (for example Dawes & Rowley 1998; Julian & Ramaseshan 1994; Schneider & Bowen 1999; Wiener & LaForge 1990). This finding also illustrates the complex and abundant nature of customer service information. To illustrate this complexity, this research found customer history, customer needs, organisational policy and procedures contributed to the access and use of information during customer service delivery (Section 5.4.2).
In brief, this research makes a contribution by its Australian context and its identification of the information inputs for customised customer service complementing those of other research projects. This conclusion is a level two contribution because it confirms implicit assertions in the literature (Table 6.3 column iii).

**Conclusion 1.4 Customer service is customised to a limited degree.**

Extant *literature* shows a multitude of definitions for customer service (Innis & La londe 1994) and is usually part of the theory about services marketing. The tailoring of customer service to individual needs is alluded to in service encounter theory (Bitner et al. 1997) and the marketing of services (Christopher, Payne & Ballantyne 1993; Zeithaml & Bitner 1996) and is considered essential to some industries (Julian & Ramaseshan 1994; Palmer, McMahon-Beattie & Beggs 2000). In general, the issue of standardisation and customisation is raised in the literature when discussing how services can be classified (Dawes & Rowley 1998; Palmer 2000).

In turn, *this research* builds on this literature by showing how customer contact service can be viewed, by customers and the organisation, on a continuum with total standardisation at one end and full customisation at the other (Section 5.4.2). Indeed this research confirms the assertion by Wathen and Anderson (1995) that customer service is nearly always customised because of its idiosyncratic nature. This idiosyncrasy is recognised in what Gutek et al. (1999) call service relationships and the trend towards personal bankers discussed by Colgate and Stewart (1998). This research is different from that previous research in that it looks at the perceptions of delivered customer service at contact points rather than the classification of the service.

This research also found customisation of service is dependant on the contact point used (Section 5.4.2). This finding has implications for previous work by Pitta (1998) who found contact points will continue to diversify and increase over the next five years. Thus, organisations need to monitor the impact on service by this expected growth in contact points. Indeed, the literature implies that contact points driven by
new technology improve service interaction, for example, Gutek (1995) and Peters (1997). However, in this research, customers considered new technology points like the web and email to be lacking in terms of customisation (Section 5.4.2).

In brief, this research introduces a continuum of customer contact service at the level of the customer contact points that can be viewed according to the degree of customisation delivered. The research also contributes to the understanding of customer service by identifying contributing factors in customisation. This conclusion is a level three contribution because it extends the literature (Table 6.3 column iii).

**Conclusion 1.5 Information gathered during customer service interactions can be included in the database for use during future interactions with individual customers.**

The literature recognises that attention should be given to the more effective collection and application of information in the database (Rich 2000) and that information collected from numerous organisational sources will be of more strategic value (Domegan 1996). The literature reports that information gathered and used from previous interactions can help convey empathy with the customer through the anticipation and fulfilment of their needs (Buttle & Bok 1996). In turn, agreeing with the extant literature, this research found information from customer service interactions provides a more complete picture of the customer (Spencer-Matthews & Perry 2001) (Section 5.4.3). However, this research extends the literature (Dawes & Rowley 1998; Palmer 2000) by classifying this customer service information into those with most relevance for inclusion into the database, that is transactions, demographics, preferences and future needs (Section 5.4.3). The research identified that much of this information is currently located throughout the organisation but not within one central location like the database.

In brief, this research contributes to the literature by classifying information from customer service transactions for inclusion in the database for the purposes of customer contact management. This conclusion is a level two contribution because it confirms implicit assertions in the literature (Table 6.3 column iii).
Conclusion 1.6 Customer contact service is changing because of costs, customer needs, evolution of technology and service, and the nature of contact.

Customer contact is diverse and ranges from high contact to low contact points (Wemmerlov 1990) and encompass seller and buyer interactions in many forms (Kotler 2000; Parasuraman 1998; Rowley 1998; Rowley 1998a). This growth and expansion of customer contact is a result of the changing needs and behaviours of customers (Dawes & Rowley 1998; Gutek 1995; Rich 2000; Palmer & McCole 2000) and the need for organisations to deliver service effectively and efficiently (Chase 1978; Peters 1997; Spencer-Matthews 2002).

In turn, this research found customer contact points are growing and becoming more diverse, thus confirming literature about customer contact points (Dawes & Rowley 1998; Gilmore 2001; Kotler 2000; Rowley 1998; Rowley 1998a). This research adds to this literature by identifying four reasons for growth and change in customer contact points (Section 5.4.3). These reasons for growth provide a framework for explaining and assessing contact point expansion and consist of costs, customer needs, evolution of technology and service, and the nature of contact.

The subsequent diversity of contact points further complicates the heterogeneity and quality of the service delivery discussed by Zeithaml and Bitner (1996). Indeed, Lovelock, Patterson and Walker (1998) acknowledge the place of service delivery is just one cue that a customer uses to judge the quality and appropriateness of service. Thus, this research adds another layer to the marketing mix literature because these reasons behind the growth of contact points have implications to the processes, place, people, and product issues in service delivery.

In brief, this research contributes to the literature by providing a framework to understand the reasons behind the growth and diversity in customer contact points. This conclusion is a level three contribution because it extends the literature (Table 6.3 column iii).
Conclusion 1.7 Information from seven contact points are identified for integration into the database and are crucial feedback mechanisms to the database

Information is important in general for customer service purposes and more specifically information is considered an integral part of customer contact by Kellogg (2000). Indeed, information is required by organisations so they can learn more about customers and incorporate this learning into customer interactions (Dawes & Rowley 1998; Palmer 2000). Moreover, information is a key ingredient in customising service offerings (Palmer, McMahon-Beattie & Beggs 2000) which in turn demonstrates a customer oriented approach to business that impacts on satisfaction (Bejou, Ennew & Palmer 1998). Literature indicates that harnessing information during customer contact is becoming an issue with the proliferation of contact points (for example, Kotler 2000, Rowley 1998, Rowley 1998a). This growth in contact points is reflected in research by Tseng, Qinhai and Su (1999) about customer contact being with objects in an organisation and not just people.

In turn, this current research confirms previous research about the development of contact points (for example, Tseng, Qinhai & Su 1999) and the subsequent opportunity for data capture (for example, Buttle 2000b; Dawes & Worthington 1996; Lammey & Hind 2000). In particular, this research identifies those contact points that have the most relevance for CCM, that is, those points that can be integrated into the database (Section 5.3.6, theme 6.1). Moreover, information from these contact points provide feedback to and from the database as a means to iterative, relevant and current information on individual customers (Section 5.3.6, theme 6.2; Section 5.3.1, 5.3.2, 5.3.3 and 5.3.4). This conclusion is a level 2 contribution because it confirms implicit assertions in the literature (Table 6.3 column iii).

In summary, conclusion 1 is about information requirements for customer contact management as was shown in Figure 6.2. This research made its contributions around the information from the marketing database and customer service interactions that can be used to improve customer contact service. This information is a combination of data gathered from and about customers at the increasing number of contact points.
throughout an organisation. In turn, this information can be stored in the database and be used to improve customer service.

6.2.2 Conclusion 2: There are opportunities for customised service using customer contact management.

Conclusion 2 is made up of three components and is based on a combination of findings about research issue 4, as shown in Table 6.2.

Conclusion 2.1 The opportunities for improved customer contact service include the need for convenience for staff and customers, responsiveness and pro-activeness

*Literature* on customer service shows it to be a contributing factor in the success or otherwise (Buttle 2000b) of a company and it is a mechanism to add value and differentiation to a company’s offerings (Innis & Lalonde 1994; Kotler et al. 1998). Indeed, customer service is recognised as an important aspect of marketing and is mooted for inclusion as the eighth P in the services marketing mix (Christopher, Payne & Ballantyne 1993).

In turn, *this research* adds to this literature by finding four main opportunities for customer service in the form of customer contact management (Section 5.3.4). That is, the way organisations manage customer contact provides improved customer service outcomes. These outcomes are stimulated by the need for convenience and responsiveness and complement findings by Potter-Brotman (1994) and Berry, Seiders and Grewal (2002) who believe that there is opportunity for companies to be more pro-active in terms of customer service. In addition, this research adds to observations by Palmer (2002) about customers being more willing to continue and contribute to a relationship with a company if the benefits are there for them.

In addition, this research confirms observations by Dawes and Rowley (1998) of the role contact points play in personalised communication, an aim of CCM. Conversely, this research also confirms remarks by Wathen and Anderson (1995) and Gilmore (2001) that there is further opportunity for CCM because personalised communication

191
is often an objective of organisations but is not always executed suitably. Furthermore, this research provides further depth to the literature about customer relationships (for example, Colgate & Stewart 1998) because relationship marketing is partly about being proactive, responsive and making it easier for staff and customers to interact.

Thus this research contributes by confirming the importance of customer service and more specifically moves forward the understanding of customer contact management. In particular, it identifies opportunities for customer service at the base level of customer contact points. This conclusion is a level two contribution because it confirms implicit assertions in the literature (Table 6.3 column iii).

**Conclusion 2.2 Customised service is relevant to all customers**

The literature recognises services, compared to products, are often more able to be customised to customer needs (Lovelock, Patterson & Walker 2001). Likewise, the ability to customise by personalising database marketing output is common knowledge (Peppers & Rogers 1997; Schneider & Bowen 1999). However, bringing together the customer service components and database marketing in the form of customised service has been untenable in the past but is becoming more achievable through the increased power of computing and decreased costs of technology (Buttle 2000a). Indeed, this research on customised service may partially address the criticism of outdated relationship marketing made by Buttle (2000a) because customised service is part of the delivered service rather than a separate strategy of relationship marketing.

A widespread aspect of relationship marketing is its ability to segment based on information on the attractiveness of particular segments (Palmer, McMahon-Beattie & Beggs 2000) – that is, develop different strategies for high value customers compared to low value ones (Galbreath & Rogers 1999; Schoenbachler et al. 1997). However, this research found organisations see value in making customised service available to all levels of customers – not just high value ones (Section 5.3.4). Indeed, the notion of providing customised service to all customers complements work by Buttle (1994) and Ahmad and Buttle (2002) who acknowledge customers needs and circumstances
are constantly changing meaning attempts to target only high value customers are possibly counterproductive. This supports Gordon’s (1998) view of satisfied customers being more likely to display repeat patronage because customer satisfaction may be more widespread if customised service is prevalent across the organisation and not just to a segment.

Despite the arguments above to support customised service, the findings of this research extends the literature. For example, Palmer, McMahon-Beattie and Beggs (2000) note that it may not be worthwhile to develop relationships with those customers who are less demanding of service expectations, however, this research indicates that organisations believe at least hospitality customers want customised service. One reason for this difference in judgment may be because of how relationships are viewed. This research is in line with previous research but broadens relationship marketing from a separate strategy to part of the service delivery. That is, customised service is part of the overall relationship with the customer - it is the mechanism that transcends customer relationship marketing into customer contact management. Indeed, if this view of relationship marketing is taken it also helps address problems raised by Rosenthal and McEachern (1997) that customers receive discontinuous communication from many different areas of an organisation – customised service through customer contact management helps prevent this discontinuity through organisation wide visibility (Bradshaw & Brash 2001).

Thus this research shows customised service is relevant to all customers. The research contributes to the body of literature about services and about database marketing. In addition, it reinforces the concept of customer relationship marketing as a separate strategy to one that has practical relevance at the level of the customer contact point. This conclusion is a level three contribution to the literature (Table 6.3 column iii).

**Conclusion 2.3 These opportunities for improved customer contact service include measures of effectiveness and efficiency.**

Measurement of strategy is important in a marketing environment including the measurability of customer contact service. Indeed, concerns have been raised in the literature regarding the high cost of customer contact (Davis & Manrodt 1994)
particularly in relation to financial cost and resource cost. In measurement terms, these two types of costs are often the focus of literature because they are easier to quantify than less tangible measures.

Measurability is one of database marketing’s strengths (Forcht & Cochran 1999; Hochauser 1992; Schoenbachler et al. 1997; Zineldin 2000). This accountability of database marketing and the reducing costs of its provision has paved the way for other concerns about maintenance costs of databases (Day 2000) as well as the responsibility for such costs when the system is expanded to other departments (Hartley & Pickton 1999). Thus the concerns about value measures with database marketing and customer service is evident in the literature.

In turn, this research findings brings together these measurability issues of customer contact and database marketing by identifying two types of measures for CCM (Section 5.3.4). These new measures for customer contact service complement the motivation identified by Barnes and Howlett (1998) and Colgate, Stewart and Kinsella (1996) to recognise the long term economic promise delivered by customer satisfaction and retention. That is, the concerns about ‘costs’ of CCM can be partially allayed by the identification of values and measures and echoes recommendations by Buttle and Ang (2002) to measure CRM performance. Thus, this research identifies various tangible and less tangible effectiveness and efficiency measures in CCM and thus extends the observation by Gilmore (2001) about the need to measure the intangible aspects of service. These measures are extensive and mirror the broad and all encompassing nature of customer relationship management (CRM) as well as the practical application of CCM. Namely, CRM and CCM strategy involve the entire organisation (Buttle 2000b; Dawes & Worthington 1996; DeTienne & Thompson 1996; Hochhauser 1992; Pitta 1998) and therefore their measures should also be wide-ranging.

In brief, this research contributes to the literature by bringing together the accountability of database marketing with the less tangible nature of customer service. In doing this, two types of value measures are identified that go beyond financial and resource based measures. This conclusion is a level three contribution because it extends the literature (Table 6.3 column iii).
In summary, conclusion 2 is about opportunities for customer contact management as was shown in Figure 6.2. This research found information from the marketing database and customer service interactions can be used to improve customer contact service. This information is a combination of data gathered from and about customers at the increasing number of contact points throughout an organisation. In turn, this information can be stored in the database and be used to improve customer service.

6.2.3 Conclusion 3: Customer contact management is able to be implemented

The third conclusion is made up of three components and is based on a combination of findings about research issues 4 and 5, as shown in Table 6.2.

**Conclusion 3.1 CCM is in the early stages of implementation.**

Implementation of strategy in general is often long and complex (Moorman & Rust 1999; Pita 1998). In particular CRM, of which CCM is a subset, is complex because it involves several departments and components within the organisation (Galbreath & Rogers 1999). Indeed, CRM is a long-term strategy that requires constant effort and monitoring (Buttle 2000b; Day 2000). As a relatively new concept there is little literature specifically relating to the implementation of CCM.

In turn, *this research* for the first time shows the progress of CCM implementation. CCM was not implemented in full by any organisations (Section 5.3.5, theme 5.1). This finding mirrors the findings by Colgate and Stewart (1998) and Galbreath and Rogers (1999) relating to the incomplete implementation of CRM.

This incomplete implementation of CCM was manifested by lack of access to data during many customer interactions (Section 5.3.4, theme 4.2) complementing observations by others about the issue of data integration in delivering services (Buttle 2000b; Dawes & Worthington 1996; Lammey & Hind 2000). Furthermore, this research found continuation of CCM implementation was desired and whilst problems were anticipated they were within expectations (Section 5.3.5, theme 5.1).
Thus this research contributes to the knowledge about customer service and more specifically about customer contact management by identifying for the first time the state of implementation of CCM. In addition it adds further evidence to the literature on CRM in relation to its complexity and ongoing execution. This conclusion is a level three contribution because it extends the literature (Table 6.3 column iii).

**Conclusion 3.2 CCM implementation is driven by service and organisational requirements.**

There is no literature specifically about the drivers of CCM because CCM is a new concept. However, the literature does contain surrogate indicators. For example, literature of the importance placed on service is evident (for example, Colgate, Stewart & Kinsela 1996; Palmer, McMahon-Beattie & Beggs 2000). In addition, the literature also shows the need for relationships but report the dangers of providing pseudo relationships (Gutek et al. 1999). This research helps overcome this propensity for pseudo relationships by providing managerial insight on CCM strategy. The literature also shows the tendency for organisations to develop loyalty programs for their customers but there are indications that developing a loyalty program is not a guarantee of success as these loyalty programs often lack differentiation (Barnes & Howlett 1998; Palmer, McMahon-Beattie & Beggs 2000). CCM may address this problem of lack of differentiation by making customer contact individual in nature.

Accordingly, this research identifies, justifies and classifies the drivers specifically behind CCM (Section 5.3.5, theme 5.2). These drivers are numerous and are classified in two categories – service requirements and organisational requirements and are illustrations of the importance placed on CCM by organisations. These drivers complement previous research about issues organisations need to consider. For example this research found the service driver consisted of three factors. Firstly, competitive activity complements findings by Peter (1997) that superior service is of value to organisations. In addition, the way database information is used provides a path to competitive advantage (Colgate & Danaher 2000; Dawes & Worthington 1996). Secondly, non-price competition matches the recognition of how the customer is treated is important in terms of customer perceptions and experiences of service delivery (Berry, Seiders & Grewal 2002; Julian & Ramaseshan 1994; Kellogg 2000;).
Finally, for service drivers, consumer demands are important in terms of experience and expectations (Zeithaml & Bitner 1996).

The second driver of CCM, based on organisational factors, also brings together previously disparate literature. For example, the efficiency driver matches part of the definition by Kotler (2000) that customers are looking for quick resolution to their needs. Additionally, the literature acknowledges that the enterprise wide approach to service can bring with it inefficiencies (Buttle 2000a; Palmer 1994; Webster 1992;) as well as frustrations when customer interactions cannot be completed in a timely or effective manner (Gilmore 2001). Knowledge, identified as another driver in CCM research, is cited in other research as an impetus for relationship marketing principles (Bejou, Ennew & Palmer 1998; Colgate & Danaher 2000). This knowledge is evident throughout the organisation, for example in back office activities (Dawes & Rowley 1998). Furthermore, the ability to use this knowledge or information that has been gathered about customers is valuable (Palmer, McMahon-Beattie & Beggs 2000). Duty of care is another CCM driver identified by this research but it is not an explicit force in CRM literature.

Thus this research contributes to the knowledge about customer contact management by identifying for the first time the drivers stimulating interest in the concept. In addition it adds further evidence regarding the importance of the broader concept of CRM. This conclusion is a level three contribution because it extends the literature (Table 6.3 column iii).

**Conclusion 3.3 There are 11 influences that assist the smooth implementation of CCM.**

The literature suggests customer service is multi-functional (Palmer 1994) leading to the need to remove boundaries between different functional areas (Buttle 2000a; Potter-Brotman 1994; Webster 1992) in an effort to improve service. Indeed, some practitioners are delivering superior customer service through this inter-functional cooperation and process (Buttle & Bok 1996; Peters 1997) but a major requirement for this cooperation is access to information (Moorman & Rust 1999; Palmer 1994).
In turn, *this research* shows that CCM, like CRM, is multi-functional in nature and implementation requires representation of the multitude of organisational stakeholders as shown in the 11 influences listed in Section 5.4.5 (theme 5.3). Thus, this research finds that the implementation process of CCM is relatively smooth but that there are 11 influences that impact on this smoothness (Section 5.4.5, theme 5.3). For example, one of the influences identified in this research relevant to CCM is culture and complements research by Plakoyiannaki, Saren & Tzokas (2002) about culture being a large part of CRM success. These influences complement the factors in the literature relating to the implementation of CRM and the execution of service provision (for example; Buttle 2000b; Dawes & Worthington 1996; Galbreath & Rogers 1999; Hochhauser 1992; Pitta 1998; Ragins & Greco 2003; Varadarajan & Jayachandran 1999; Zeithaml & Bitner 1996) as shown in Chapter 2.

In brief, this research complements and adds value to the literature by providing a list of factors that influence successful CCM implementation. That is, prior to this research these factors were found across several authors and related only to CRM. This conclusion is a level three contribution because it extends the literature (Table 6.3 column iii).

In summary, conclusion 3 is about the *ability* requirement for successful CCM implementation as was shown in Figure 6.2. This research found CCM is in its early stages of implementation and is influenced by 11 factors. The continued implementation of CCM is desired and is being driven by organisational and service factors.

### 6.3 Conclusions about the research problem

From the conclusions discussed above the overall research problem can be answered: That is, *How and why can customer contact services use information from database marketing to provide customised customer service?* To answer this research problem a revised theoretical framework has been developed and is shown in Figure 6.3. The framework shows the path which information from customers (at the various customer contact points) takes in the provision of customised contact service.
The top of the framework represents information (conclusion 1) and incorporates the data inputs gathered through contact with customers (Figure 6.3, Box A/B). This box is labelled ‘A/B’ because it is a blend of boxes A and B from the original theoretical framework, that is, information gathered through the traditional marketing database and information from customer service interactions. Contact points used by customers (triangle symbols in Figure 6.3) are linked in various ways to storage receptacles, that is, the database or databases. More specifically some single contact points, for example a branch or a sales person, are linked to minor databases. Some connections between contact points and their minor databases are one way, that is, information is fed into the database but cannot be retrieved for customised service in a real time manner. Other connections between contact points and databases are two way.

This revised theoretical framework contains a major database (Box C) which is central to customer contact management because of its ability to collect and disseminate information to and from various contact points. These input components of the model shows minor databases connecting to the major database. Some connections to the major database are one way signifying information is only received into the database at this stage and not fed back to the minor database (Arrow 2 in Figure 6.3). Other connections are two way because there is interaction between the major and minor databases (Arrow 3 in Figure 6.3).

The types of information relevant for collection and use in customised service are transactions, demographics and future needs and are seen as an input to the major database for customer contact management. Indeed, the major database (box C) is the main information receptacle and storage facility for customer contact management. Accordingly this major database is the central component of customer contact management because it provides the mechanism for input and output necessary for customer contact management. Furthermore the major database is surrounded by four factors that influence CCM, that is, customer needs (‘N’), drivers (‘D’), measures (‘M’) and influencers (‘I’). These four factors are discussed later in this section.
Figure 6.3 Revised theoretical framework for CCM

Note: N = Needs (pull)  M = Measures  D = Drivers (push)
- convenience
- proactive
- responsive
- efficiency
- effectiveness
- organisational
- service

I = Influencers
- management
- culture
- customers
- accuracy
- access
- skills
- implementers
- technology
- privacy
- complexity
- costs

Source: developed for this research.
The major database leads to the *opportunity* (conclusion 2) in CCM to provide customised customer contact (Box D). This opportunity is an academic ideal that, in theory, transforms outputs from the major database into the prospect for individual communication with a customer. That is, individual communication does not take account of the ‘practicalities’ in delivering customised service but it does provide a ‘vision’ of individual communication facilitated by three factors: drivers (D), needs (N) and measures (M). The visionary nature of individual communication is apparent by the absence of the influencers (I), or potential inhibitors, of Customised Service.

Customised service is then provided by the *ability* (conclusion 3) to transform individual communication in the light of the influencing factors on its execution (Box E in Figure 6.3). That is, customised service is the strategic output experienced by customers at the various customer contact points. Once again four factors shape the delivery of customised service, that is, drivers, needs, measure and influencers which have significant influence on the outcome.

The final key component of the theoretical framework for CCM is *feedback*, information (conclusion 1) to the major database (Box F). Feedback refers to the processes and issues to provide access to modifying, refining, building, and delivering information to individual customers at the customer contact points. Feedback is also affected by the four factors of drivers, needs, measures and influencers. These four factors are now discussed.

Needs are external to the organisation and pull the requirement of CCM. These needs are stimulated by customers desiring a proactive response to contacts so that interactions with organisations are more convenient for them.

Drivers provide the reason behind the importance of CCM to organisations and are separated into two main areas, service and organisational. Service drivers include competitor activity, the propensity towards non price competition and consumer demands. Organisational drivers consist of efficiency, knowledge and duty of care. These two categories of drivers are indicative of the forces behind why organisations aim to differentiate themselves through CCM and impact on all aspects of the theoretical framework.
Measures answer the need for organisations to have the ability to assess the value of CCM and include factors such as costs, times, space, satisfaction, attitude and action. These measures are indicators of the worth of CCM and influence all components of the model.

Influences are those factors raised by organisations as being important elements to overcome or address to ensure the successful implementation of CCM. These influencers include management, culture, customers, data accuracy, access, staff skills, qualified implementers, technology, privacy, data complexity and costs. None of these influencers are considered insurmountable. These factors impact on all elements of the theoretical framework with the exception of individual communication (Box D) because the opportunity for individual communication is an ideal that is desired given no impediments to implementation.

In brief this theoretical model shows how customer service can be improved through linking customer contact management with marketing databases. That is, customised service can be implemented through CCM. The theoretical model provides an overview of the process along with an account of the four factors that impact on the process.

6.4 Implications for theory

The fit of the findings of this research and the literature on the research problem theory regarding how to integrate customer contacts was presented in Section 6.2. The final theory about the inclusion of that integration built in this research was presented in Section 6.3 incorporating cause/effect and contingent factors. This next section takes a broader view by considering the implications of the research for the two parent theories customer service and database marketing.

This research contributes to two areas of theory about customer service and database marketing as well as building theory on customer contact management. That is, this research has resulted in the literature being extended by examining the disciplines of
customer service and database marketing in the context of customer contact management.

Firstly, consider the implications for customer service theory (Sections 2.3 and 2.4) where this research contributes to four main areas: the concept of customisation, contact points, marketing mix and relationship marketing. To begin with it confirms the importance of customer service in business success (Buttle 2000b; Innis & Lalonde 1994). More so, this research adds to the concept of standardisation versus customisation continuum by creating a new dimension from one of service classification (Lovelock, Patterson & Walker 2001) to that of the perception of delivered contact service. Secondly, this research adds new insights about the proposed diversification and growth of contact points (Pitta 1998) by providing a framework to understand the reasons for this growth and diversity and showing delivered customisation varies between contact points.

In turn, this research has a third implication for customer service theory by showing the complexity of delivering customised service at customer contact points and provides richer insights into the theory about the marketing mix for services overall. Finally, this research adds to the debate about developing and maintaining relationships with customers (for example, Palmer, McMahon-Beattie & Beggs 2000; Rosenthal & McEachern 1997) especially because it emphasises relationship marketing as part of service delivery for all customers and not just high value customers. Indeed, this research adds weight to research by Buttle (1994) and Ahmad and Buttle (2002) who observe all customers have individual needs and circumstances.

The second area of implication is the theory of database marketing (Section 2.5) where this research contributes to two main areas: measurability and relevance to customer contact service. Firstly, this research adds a new application of one of database marketing’s strengths, that is, measurability. Indeed, previous research about the dimensions of measurability and accountability has been extensive in database marketing theory (for example, Forcht & Cochran 1999; Hochauser 1992; Schoenbachler et al. 1997; Zineldin 2000), however this strength has not been applied
to customer service previously. Consequently, this research, for the first time, identifies several value measures relevant to customer contact management.

Secondly, this research has implications for theory because it identifies the data held in the marketing database that has relevance for customer contact service. Indeed, although previous literature identified that information can be collected from customer contact points (Galbreath & Rogers 1999) and that such information helps the organisation remember the customer (Pitta 1998) these previous studies did not explicitly bring the two aspects together like this research does by identifying the type of information specific to customer service strategy.

The final implication is about CCM theory (Section 2.6) where this research contributes to in three main areas; the transformation to customised customer contact service, factors driving CCM and implementation issues with CCM. To begin with, for the first time the goal of CCM is structured by highlighting contributors assisting the transformation of standardised contact service to customised contact service. These contributions are information, opportunities and abilities and have been graphically represented in a framework as shown in Figure 6.3. In addition, this research shows how the database can be used as the vehicle in the delivery of customised contact service.

Secondly, this research is the first empirical study that identifies factors driving CCM and provides a theory base to classify these driving factors. Finally, this research builds theory about customer contact management for the first time and mirrors some of the research about CRM, especially CRM implementation (for example, Colgate & Stewart 1998; Galbreath & Rogers 1999). However, unlike previous research, this research focuses only on opportunities and issues in connecting contact points and shows CCM implementation is in the early stages. Barriers to the implementation of CRM have been proposed by various studies (for example, Dawes & Worthington 1996; Varadarajan & Jayachandran 1999; Zeithaml & Bitner 1996) and this research adds to this body of knowledge by identifying those barriers specifically relevant to CCM. In other words, this research provides for the first time guidelines on the ability of organisations to implement CCM.
In brief, just as Sections 6.2 and 6.3 showed that this research contributed to the literature about the integration of customer contacts, this section has shown how the research also has implications for the wider literature about customer service and database marketing.

### 6.5 Implications for practice

The contribution of this research to theory development is evident in the previous section. This section discusses the implications for practice and specifically identifies how and why organisations can embrace customer contact management. That is, this section identifies the place and importance of CCM and then describes the processes necessary for its successful implementation.

The first implication is that firms should consider CCM. This research shows the importance of CCM to business by demonstrating that all organisations participating in the research were embracing CCM to differing degrees. In addition, it shows that customers and organisations alike consider CCM beneficial as it has potential to deliver convenience and responsiveness to all parties. More specifically, this research provides support for organisations to incorporate CCM as an avenue for differentiation and competitive advantage. The research also provides justification for CCM by highlighting the idiosyncratic nature of customer service and customer needs. This factor provides argument for organisations to include CCM in their customer service strategy especially in light of the changing nature of customer contact points. (Section 5.4.4)

Next, this research also shows organisations how to implement CCM. Firstly, it identifies the data relevant for customer contact service that can be kept in the database. That is, transactions, demographics and future needs are identified as inputs into the database and are available from customers, documentation and other internal and external sources. This data is identified as being of use during future interactions at the various contact points in an organisation. (Sections 5.4.1, 4.4.2, 5.4.3 and 5.4.6)
In addition, the process of implementing CCM involves overcoming factors that can hinder its success. This research provides a list of the common barriers to CCM and provides some insight into strategies for success. Furthermore, the research overcomes one of the criticisms of service initiatives, that is costs, by presenting several methods to measure the impact of CCM. (Section 5.4.5).

There are also implications for practice in terms of database management and customer service theory as incorporated above into customer contact management theory and will help practitioners improve customer service and hence customer satisfaction.

### 6.6 Limitations and further research

Delimitations and methodological limitations for this research were addressed and justified in detail in Sections 1.5, 3.3 and 4.9. These have been identified earlier and addressed within the research method and relate to the study taking on a service management or organisational perspective and the use of qualitative research. Further research could be undertaken in four areas, application to other industries, expansion to other countries, the consumer perspective and the need for statistical generalisation.

Firstly, this research investigates four specific service industries and further research into other service industries or other service classifications would be insightful. These additional insights might provide a more comprehensive insight into the practice of CCM in general. Secondly, this research was delimited to the Australian perspective and further research could be undertaken in other developed countries to check fit. Thirdly, this research was limited to an organisational perspective with only minor views sought from consumers. A more in-depth consumer view would give a new perspective to CCM and potentially provide further refinements to CCM strategy. Finally, this research aimed to build new theory about a relatively new phenomenon thus lending itself to case research and analytical generalisation. Further research into the issues about the link between customer contact points and the database needs to be undertaken. A survey would be beneficial in future research to enable statistical generalisation.
One further limitation was the varying degree of experience with CCM by different participants for each case. For example, in order to achieve better insights and richer data, a selection of interviewees from different organisational departments were interviewed. This selection meant some participants were able to answer more fully than others different sections of the interviewer’s guide. Thus insights were limited to the participants’ field of experiences. However, this limitation was not critical to the overall quality of the research findings because a spread of participants was achieved and the data for each case was triangulated as discussed in Section 4.9. Furthermore, this limitation is acceptable within case research (Yin 1994) and the overall research findings are appropriate for analytical generalisation.

6.7 Conclusion

This chapter compared the four main conclusions of this research with literature as a means to understand the research problem. In summary, this research presented a structure to answer ‘How and why can customer contact services use information from database marketing to provide customised customer service?’ A theoretical framework was developed from a review of the literature and further refined through data collection and analysis. Data collection and analysis were based primarily on convergent interviews followed by the main data provided through case research. The resulting analysis culminated in implications for theory and practice and guidelines for further research into CCM.
References


Blankson, C & Kalafatis, S 1999, ‘Issues of creative communication tactics and positioning strategies in the UK plastic card services industry’, *Journal of Marketing Communications*, vol. 5, pp. 55-70.


Buttle, F 2000b, The CRM Value Chain, manuscript, Manchester Business School, U.K.


Carson, D, Gilmore, A, Perry, C & Gronhaug, K 2001, Qualitative Research in Marketing, Sage, London.


Coviello, N, Milley, R & Marcolin, B 2001, ‘Understanding IT-enabled interactivity in contemporary marketing’, *Journal of Interactive Marketing*, vol. 15, no. 4, pp. 18-33.


Dick, B 1990, Convergent Interviewing, 3rd edn, Interchange, Chapel Hill, Brisbane.


Emory, C & Cooper, D 1991, Business Research Methods, Irwin, Homewood, IL.


Grant, P 2000, ‘Culture is more than a night at the opera’, *The Australian IT*, January 22, p. 2.


Healy, M & Perry, C 2000, ‘Comprehensive criteria to judge validity and reliability of qualitative research within the realism paradigm’, *Qualitative Market Research: an international journal*, vol. 3, no. 3, pp. 118-126.


Miles, M & Huberman, A 1984, Qualitative Data Analysis: A Sourcebook of New Methods, Sage, 1st ed, Thousand Oaks, California.


Neuman, W 1994, Social Research Methods: Qualitative and Quantitative Approaches, Allyn & Bacon, Boston.


Perry, C 2001, ‘Case research in marketing’, manuscript prepared for Southern Cross University, in possession of Sarah Spencer-Matthews, Brisbane.


Rao, S & Perry, C 2003, ‘Convergent interviewing to build a theory in under-researched areas: principles and an example investigation on Internet usage in inter-firm relationships’ Qualitative Marketing Research, in press.


Rowley, J 1999, ‘Loyalty, the Internet and the weather: the changing nature of marketing information systems’, *Management Decision*, vol. 37, no. 6, pp 514-518.


Spencer-Matthews, S & Rao, S 2003 ‘Managing customer contact service through database marketing: developing a theoretical framework’ Forthcoming ANZMAC conference. Accepted subject to minor amendments.


Teale, J 1999, Influences of service quality on relationship development and maintenance in the Australian financial services industry: an in-depth study, PhD thesis, University of Southern Queensland.

Toma, D 2000, ‘How getting close to your subjects makes qualitative data better’, *Theory into Practice*, vol. 39, issue 3, pp. 177-185.


Wolcott, H 1990, Writing up Qualitative Research, Sage, Newbury Park, California.


Yin, RK 1989, Case study research: design and methods, Sage Newbury Park.


Appendices

List of appendices:

Appendix A
Stage one convergent interview guide

Appendix B
Stage two case study guide

Appendix C
Stage two customer survey
- healthcare version
- government version
APPENDIX A

Guide for Convergent Interviews
Preliminary discussion:
- Thank you for providing your time and expertise
- Brief introduction to SSM – establish bona fides
- This research investigates the use of information from databases to integrate different customer contact points within an organisation. The integration of this information allows individualised customer contact service through customer contact management.
- All information collected in this interview will be treated as confidential and anonymous. For this reason your company name, your own name and any other identifying details will be disguised in the research report/s
- Your permission to tape record this interview is requested because taping will aid the accuracy of the research. Please feel free to press the ‘pause’ button on the tape recorder at any time during the interview. You are free to terminate this interview at any time.
- Our discussion will be fairly informal – I do have topics to cover but I am most interested in what your experiences and observations are.
- Before we begin do you have any questions?

**Topic: General observations**
Initial question: Q 1. What are your experiences and observations of customer contact service?
Prompts:
- Can you give me an example?
- Why?
- In what way?
- Is this so for organisations? Consumers?
- In what way did this happen?
- What else have you observed?

**Topic: Service strategy**
Initial question Q 2. Do you see contact points as a customer service strategy?
Prompts:
- Can you give me an example?
- Why?
- In what way?
- Is this so for organisations? Consumers?
- In what way did this happen?
- What else have you observed?

**Topic: Customer expectations**
Initial question Q 3. What do you think customer expectations are in this growth of customer contact points? Especially in terms of customer service.
Prompts:
- Can you give me an example?
- Why?
- In what way?
- When?
What else have you observed?
In what way did this happen?

**Topic: Customer contact points**
Initial question Q 4. Can you list the various customer contact points now available to customers? (unprompted)

Prompts:
- Can you give me an example?
- In what way?
- Are there others?
- What does this mean for the organisation? Customer?
- What else have you observed?

**Topic: Data integration**
Initial question Q 5. What do you think of the concept of integrating customer contact points through the database?

Prompts:
- Can you give me an example?
- Why?
- In what way?
- Is this so for organisations? Consumers?
- When?
- What does this mean?
- What else have you observed?

**Topic: Relevance of CCM**
Initial question Q 6. What type of industries do you think might best be able to benefit/adapt to this service concept? (unprompted)

Prompts:
- Can you give me an example?
- Why?
- In what way?
- What else have you observed?
- Any other industries?
- Do you know of a company who might like to contribute to this research?

**Topic: Implementation problems**
Q 7. What are the issues hindering connecting customer contact points? (minimal prompting)

Prompts:
- Can you give me an example?
- Why?
- In what way?
- Is this so for organisations? Consumers?
- What else have you observed?
- In what way?
**Topic: Responsibility for CCM**
Initial question Q 8. Within an organisation who is responsible (or which department) for co-ordinating customer contact management? (unprompted)

Prompts:
- Any others?
- Can you give me an example?
- Why?
- In what way?
- What else have you observed?

**Topic: Benefits of CCM**
Initial question Q 9. Can you see companies benefiting from providing customised customer contact service through customer contact management?

Prompts:
- Can you give me an example?
- Why?
- In what way?
- When?
- Is this so for organisations? Consumers?
- What else have you observed?

- Is there anything else you would like to say?
- Is there something I should have asked you?
- Can you recommend anyone else I can talk to about this research?

Thank participant and offer copy of research outcomes.
Customer Contact Management:  
~ delivering individualised customer contact service

Interviewer’s Guide

Date: 

Time

Company: 

Case ID #

Interviewee: 

Interview ID #

Position:

Introduction

Thank you for providing your time and expertise in participating in this university research project.

This research investigates the use of information from databases to integrate different customer contact points within an organisation. The integration of this information allows individualised customer contact service through customer contact management.

Research ethics

- All information collected in this interview will be treated as confidential and anonymous. For this reason your company name, your own name and any other identifying details will be disguised in the research report/s
- Your permission to tape record this interview is requested because taping will aid the accuracy of the research. Please feel free to press the ‘pause’ button on the tape recorder at any time during the interview. You are free to terminate this interview at any time.

Before we begin do you have any questions?

This document is not a questionnaire but an interviewer’s guide to ensure that the required material is covered.

Sarah Spencer-Matthews
University of Southern Queensland
Brisbane Campus
Phone 07 3853 3236
Email ssm@usq.edu.au
Customer Contact Management (CCM)

1. What is your understanding of Customer Contact Management/Customer Contact service?  
   Understanding of CRM?  
   Example of customer contact service in your organisation?  
   Show card 1 – definition of CCM – comments?  
   Have you performed any research on customer’s needs and expectations in terms of customer contact management? Why/not? What were the results?  

2. Where is your organisation in terms of individualised Customer Contact Service?  
   Where do you want to be?  
   When?  
   Show card 2 – Definition of CCS – comments?  
   Show card 2– CCS Barometer  
   What, if any, do you see as the value of integrating customer contact points? For the customer/organisation?  
   Are things done differently in other companies? States? Industries?  

3. In what way can information on individual customers gathered from all of their interactions with contact points be used?  
   How many contact points does your organisation have? Future?  
   Do you see individual customer contact management as a customer service strategy only suitable for high value customers? Why/why not?  
   How are high value customers identified?
What information can be gathered for individualised customer contact service?

4.17

Sales transactions
Concerns
Future needs
Psychographics
Other
Preferences
Complaints
Demographics
None

Database Information

4. What type of information is collected by your organisation for database marketing purposes?

1.1

Sales transactions
Concerns
Future needs
Psychographics
Other
Preferences
Complaints
Demographics
None

Where is this information held? Where is the information distributed?

1.2

Why is this information collected (i.e. how is it utilised)?

1.3

How is this information collected?

1.4

Are customers aware that you collect and utilise their data?

1.5

Are you aware whether customers are happy with the extent of information you have collected on them for database marketing purposes?

1.6

5. Who and which department/s collects this database information?

1.7

Who? Department/position

1.8

Who – security

1.9

Who – integrity

1.10

Customer Service

6. Does your company have specified customer service standards? Are there different levels of standards? How are these standards defined?

2.1

7. To what extent does your company provide standardised customer service?

Card 3

2.2

8. What role does information play in standardised customer service in your organisation?

2.3
Do information requirements differ for encounter-to-encounter? Or customer to customer – in what way? 2.4

*Where* does the information for standardised customer service come from? 2.5

- Customers themselves
- Documentation – eg account
- Don’t need information – truly standardised
- Sources within the organisation – specify
- Other - specify

For what *purposes*, if any, is information collected (and retained) from standardised customer service encounters/ type of information? 2.6

*Who* collects customer service information? 2.7

Where and how is this information *held*? 2.8

9. **Who has access to this information?** 2.9

Who is responsible for the *security* of this customer service information? 2.10

Who is responsible for the *integrity* of this customer service information? 2.11

**Customer Contact Points**

10. **What information from customer service transactions/interactions, if any, would be useful to integrate into the database? Why/not?** 3.1

- Sales transactions
- Concerns
- Future needs
- Psychographics
- Preferences
- Complaints
- Demographics
- None
- Other

Is any of the above information held *elsewhere*? Why? Where? 3.2

Is the information held in the above storage facility/s able to be transferred to the database? Why/not? 3.2.1

*Why isn’t* this information currently captured and held in the database? 3.3
11. Does access to these contact points vary according to customer needs? For example, purchase requirements; type of query/interaction; status of the customer; security issues etc? Please elaborate.

How does the current status of contact point integration in your organisation impact on customer contact service? Do you see contact points as part of customer service?

12. Do you expect customer contact points to change (growth, shrinkage) over the next 5 years? In what way? Why/not?

Which ones? Please give ballpark eg % figures of current and future business with each contact points.

Show card 4

13. What do you estimate the cost of doing business is for each contact point?

Implementing individualised customer contact service through CCM

14. In order to implement customer contact management, what contact points are relevant and what information implications arise from each of these contact points?

Show card 5

15. To what extent is information currently shared across the departments and contact points in your organisation?. In the main is it information or data that is shared?

Show card 6

16. What have been (or do you expect to be) the major issues in implementing customer contact management?

Show card 7

How smoothly do you believe CCM has been (or could be expected to be) implemented in your organisation – show card 8

How could these implementation issues be overcome?

What are the ‘mechanics’ & steps of implementing CCM for only high value customers?

When did you implement CCM? Or when will you?
What is the *time* period for full implementation of CCM? 5.9

*Who* is responsible (role/department) for implementation of CCM? 5.10

Who is responsible (role/department) for the continued smooth *running* of CCM? 5.11

How can the integrated database remain current and accessible? Implications? 6.1

17. To what extent do you think that the philosophy behind CCM is understood in your organisation?

Show card 9 5.12

Are there particular roles or departments who *underestimate* the value of CCM? Why? 5.13

Fully *appreciate* the value of CCM? Why? 5.14

18. What do you see as the *drivers*, if any, of CCM in your organisation? 5.15

What do you see as the *inhibitors*, if any, of CCM in your organisation? 5.16

19. How do you see the future of CCM? 6.2

In your organisation? What is the *ideal*? 6.3

Closing

20. To gain a customer perspective on CCM I would like to speak briefly to a couple of your key customers regarding this. Is this possible? Or can I leave you with a brief questionnaire that you could ask 10 of your customers to complete? 7.1; 3a; 4a; 6a.

21. What else should I have asked you? 7.2

22. Who else should I speak to about this research? 7.3

23. Would you like me to send you a brief report of my findings? 7.4
Thank you for your time and co-operation.

Sarah
Card 1

Definition of Customer contact management (CCM)

Customer contact management

- management of the service provided at any contact point in the organisation in recognition of the impact on customer service experience and customer satisfaction

- contact points can include
  - face-to-face
  - telephone
  - web
  - email
  - wireless technology
  - mobile staff
Definition of Customer contact service

*Individualised customer contact service exists:*

– where customer contact points are connected in a real time manner to the marketing database

– enabling customised contact for each customer and at each contact point.

Customer contact service implementation barometer

Indicate to what degree your organisation has implemented integration of customer contact service

<table>
<thead>
<tr>
<th>Not at all</th>
<th>Early stages of implementation and integration of contact points</th>
<th>Implemented but still some major issues to sort out with integration</th>
<th>Implemented but still some minor issues to sort out with integration</th>
<th>Fully implemented and utilised – all contact points are integrated</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>
Card 3

Standardised customer contact service definition

Standardised customer service is:

– Customer service that is not customised significantly to the specific needs of a customer

– It is the ‘everyday’ experience a customer may have during a transaction.

– For example when a customer visits the bank, and due to the lack of formal customer identification protocol, the customer is not ‘recognised’ and receives the standard service that is provided to all customers.

Standardised customer contact service definition barometer

Indicate to what degree your organisation offers standardised customer contact service

<table>
<thead>
<tr>
<th>Truly standardised – no input on individual customers</th>
<th>Minor customisation only</th>
<th>Attempts at customisation but not guaranteed or high priority</th>
<th>Major customisation but not entirely customised</th>
<th>Truly customised – every encounter is individualised</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>
Card 4

Expected usage change for each contact point over next 5 years

<table>
<thead>
<tr>
<th>Contact Point</th>
<th>% of current usage/business</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Now</td>
</tr>
<tr>
<td></td>
<td>5 years</td>
</tr>
</tbody>
</table>

Cost of business for each contact point

<table>
<thead>
<tr>
<th>Contact Point</th>
<th>Cost – eg High: Medium: Low</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Now</td>
</tr>
<tr>
<td></td>
<td>Future</td>
</tr>
</tbody>
</table>
**Card 5**

**Information needs in customer contact service implementation**

In order to implement customer contact management, what contact points are relevant and what information needs to be captured from each of these contact points?

<table>
<thead>
<tr>
<th>Relevant contact point</th>
<th>Information that needs capturing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Web</td>
<td></td>
</tr>
<tr>
<td>Email</td>
<td></td>
</tr>
<tr>
<td>Face-to-face – eg Mail</td>
<td></td>
</tr>
<tr>
<td>Phone</td>
<td></td>
</tr>
<tr>
<td>Wireless technology</td>
<td></td>
</tr>
<tr>
<td>Mobile staff</td>
<td></td>
</tr>
</tbody>
</table>

Details of each piece of information

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Continued if necessary

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Degree of information (data?) sharing within your organisation

<table>
<thead>
<tr>
<th>Not at all</th>
<th>Early stages of information sharing</th>
<th>Attempts at sharing are progressed but limitations apply</th>
<th>Information in the main is shared with some limitation</th>
<th>Information is fully shared</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>
## Card 7

### Barriers to implementation

<table>
<thead>
<tr>
<th>Commitment by top management</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Findings qualified people to implement it</td>
<td></td>
</tr>
<tr>
<td>Cultural issues</td>
<td></td>
</tr>
<tr>
<td>Technology – eg</td>
<td></td>
</tr>
<tr>
<td>Customer resistance – eg</td>
<td></td>
</tr>
<tr>
<td>Data issues - eg</td>
<td></td>
</tr>
<tr>
<td>Privacy</td>
<td></td>
</tr>
<tr>
<td>Accuracy</td>
<td></td>
</tr>
<tr>
<td>Too much information</td>
<td></td>
</tr>
<tr>
<td>Coding</td>
<td></td>
</tr>
<tr>
<td>Accessibility</td>
<td></td>
</tr>
<tr>
<td>Security</td>
<td></td>
</tr>
<tr>
<td>Complexity</td>
<td></td>
</tr>
<tr>
<td>Too costly – non/financial</td>
<td></td>
</tr>
<tr>
<td>Poor skill match with current staff</td>
<td></td>
</tr>
<tr>
<td>Too big a change</td>
<td></td>
</tr>
<tr>
<td>Unwilling to pioneer</td>
<td></td>
</tr>
<tr>
<td>No perceived need/value</td>
<td></td>
</tr>
<tr>
<td>Costs outweigh benefits</td>
<td></td>
</tr>
<tr>
<td>Too lengthy a process</td>
<td></td>
</tr>
<tr>
<td>Jealousies/conflicts between departments - expand</td>
<td></td>
</tr>
<tr>
<td>Size of company</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
</tbody>
</table>
Card 8

**Smoothness of implementation of CCM**

<table>
<thead>
<tr>
<th>Not at all smooth – total disaster</th>
<th>Major problems</th>
<th>Problems encountered were significant but within expectations</th>
<th>Fairly minor problems only</th>
<th>Very easy to implement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>
**Card 9**

**Philosophy of CCM**

<table>
<thead>
<tr>
<th>Not at all understood</th>
<th>Most people and departments do not truly understand CCM</th>
<th>A bit of a mixed bag in terms of understanding CCM</th>
<th>Most people and departments understand CCM</th>
<th>Everyone in the organisation understands and appreciates CCM</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>
Hello,

My name is Sarah Spencer-Matthews. I am a lecturer in Marketing at the University of Southern Queensland conducting University research about the service customers receive in various organisations including hospitals.

This research investigates the use of information provided by you and hospital staff throughout your stay or contact with the hospital. In an ideal world, the information necessary for your ongoing care and needs should be made routinely available, where and when appropriate, to the various sections of the hospital – for example: the different doctors, nurses, and specialists, as well as admissions and support staff.

This sharing of information to appropriate staff members means that they have a more complete picture of your situation and therefore can tailor your care without having to keep asking you (or others) the same questions over and over again. This information aims to provide better and more tailored service to you.

Thankyou for agreeing to fill out this brief questionnaire on this customer service initiative. The questionnaire will take approximately 5 minutes to complete. The hospital has agreed to participate in this university research project. The contribution from customers and patients such as yourself will benefit the research outcomes.

All data that is collected during this research process is bound by University ethical standards and therefore treated as confidential. You may remain anonymous, if you desire. The information gathered will be pooled with other data which will prevent the identification of individual participants.

Once you have completed the questionnaire please either return it to me by September 21, 2001 via fax 07 3853 3219 or mail it directly to me at the address below. Alternatively you can return it to the person who gave you the questionnaire so that they may pass it on to me.

In the meantime if you have any questions please contact me on telephone 07 3853 3236 or email ssm@usq.edu.au.

If you would like a brief report of the research findings please provide your mailing details at the close of this questionnaire, but you do not need to divulge your name.

Sarah Spencer-Matthews
University of Southern Queensland - Brisbane Campus
PO Box 10531
Brisbane Adelaide St QLD 4000
Phone 07 3853 3236
Email ssm@usq.edu.au
1) What is the name of the hospital that gave you this questionnaire?
_____________________________________________________________________

2) What method(s) do you use to contact or to conduct business with the hospital who gave you this questionnaire. (please RANK the following in order of frequency with 1 being most frequent , 2 the next most frequent and so on)

<table>
<thead>
<tr>
<th>Currently</th>
<th>Anticipated in 5 years time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Face-to-face: eg Dr’s, support staff</td>
<td>Face-to-face: eg Dr’s, support staff</td>
</tr>
<tr>
<td>Telephone</td>
<td>Telephone</td>
</tr>
<tr>
<td>Mail</td>
<td>Mail</td>
</tr>
<tr>
<td>Website</td>
<td>Website</td>
</tr>
<tr>
<td>Email</td>
<td>Email</td>
</tr>
<tr>
<td>Mobile staff: eg community resources</td>
<td>Mobile staff: eg community resources</td>
</tr>
<tr>
<td>Other – please specify</td>
<td>Other – please specify</td>
</tr>
</tbody>
</table>

3) To what extent do you feel the hospital is currently able to provide you with customised customer service at each of the contact points above? Highly customised service occurs, for example when, if you make a query at one contact point such as admissions (face-to-face) and another contact point such as a doctor (face-to-face) or perhaps a phone call from patient discharge (telephone) then this information is incorporated, if relevant, into future interactions with you.

Please circle each row below:

<table>
<thead>
<tr>
<th></th>
<th>Truly standardised – no tailoring to my needs</th>
<th>Minor customisation only</th>
<th>Attempts at customisation but not consistently delivered</th>
<th>Mostly customised</th>
<th>Highly customised – every contact is tailored towards my needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Face-to-face</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Telephone</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Mail</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Website</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Email</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Mobile staff</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Other – please specify</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

4) Please rate the degree of customised service you would like to receive from the hospital?
Please circle each row below:

<table>
<thead>
<tr>
<th></th>
<th>Truly standardised – no tailoring to my needs</th>
<th>Minor customisation only</th>
<th>Attempts at customisation but not consistently</th>
<th>Mostly customised</th>
<th>Highly customised – every contact is tailored towards my needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Face-to-face</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Telephone</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Mail</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Website</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Email</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Mobile staff (e.g. reps)</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Other – please specify</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

5) In your own words describe three benefits to you of customised customer contact service.
1. ________________________________________________________________
2. ________________________________________________________________
3. ________________________________________________________________

6) In your own words describe three concerns you may have related to customised customer contact service.
1. ________________________________________________________________
2. ________________________________________________________________
3. ________________________________________________________________

7) How important to you is truly customised service?
Please circle one of the boxes below:

<table>
<thead>
<tr>
<th>Not at all important</th>
<th>Minor importance only</th>
<th>Becoming important</th>
<th>Important but not essential</th>
<th>Very important</th>
</tr>
</thead>
</table>
THANKYOU FOR COMPLETING THIS QUESTIONNAIRE.

Please return it to me by September 21 2001 either
  ▪ via fax 07 3853 3219 ( a fax cover sheet is not necessary)
  ▪ or mail it directly to me:
    o Sarah Spencer-Matthews
      University of Southern Queensland
      PO Box 10531
      Brisbane Adelaide St QLD 4000
  ▪ alternatively you can return it to the person who gave you the questionnaire so that they may pass it to me.
  ▪ please call me if you have any further queries on 07 3853 3236 or email ssm@usq.edu.au

If you would like a brief report on the research findings please complete your contact details below:
  Name:
  Postal Address:

Many thanks
Sarah Spencer-Matthews
Hello,

My name is Sarah Spencer-Matthews. I am a lecturer in Marketing at the University of Southern Queensland conducting University research about the service customers receive in various organisations.

This research investigates the use of information provided by you and the staff you deal with at the (organisation name) throughout your interactions with them. In an ideal world, the information necessary for your ongoing needs should be made routinely available, where and when appropriate, to the various sections of the organisation – for example: the different staff that you talk to, the call centre, the website etc.

This sharing of information to appropriate staff members means that they have a more complete picture of your situation and therefore can tailor service to you without having to keep asking you (or others) the same questions over and over again. This information aims to provide better and more tailored service to you.

Thankyou for agreeing to fill out this brief questionnaire on this customer service initiative. The questionnaire will take approximately 5 minutes to complete. The contribution from customers such as yourself will benefit the research outcomes.

All data that is collected during this research process is bound by University ethical standards and therefore treated as confidential. You may remain anonymous, if you desire. The information gathered will be pooled with other data which will prevent the identification of individual participants.

Once you have completed the questionnaire please either return it to me by October 16, 2001 via fax 07 3853 3219 or mail it directly to me at the address below. Alternatively you can return it to the person who gave you the questionnaire so that they may pass it on to me.

In the meantime if you have any questions please contact me on telephone 07 3853 3236 or email ssm@usq.edu.au.

If you would like a brief report of the research findings please provide your mailing details at the close of this questionnaire, but you do not need to divulge your name.

Sarah Spencer-Matthews  
University of Southern Queensland - Brisbane Campus  
PO Box 10531  
Brisbane Adelaide St QLD 4000  
Phone 07 3853 3236  
Email ssm@usq.edu.au
1) What is the name of the organisation that gave you this questionnaire?

_____________________________________________________________________

2) What method(s) do you use to contact or to conduct business with the organisation who gave you this questionnaire. (please RANK the following in order of frequency with 1 being most frequent, 2 the next most frequent and so on)

<table>
<thead>
<tr>
<th>Currently</th>
<th>Anticipated in 5 years time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Face-to-face:</td>
<td></td>
</tr>
<tr>
<td>Telephone</td>
<td></td>
</tr>
<tr>
<td>Mail</td>
<td></td>
</tr>
<tr>
<td>Website</td>
<td></td>
</tr>
<tr>
<td>Email</td>
<td></td>
</tr>
<tr>
<td>Mobile staff eg off site council employee etc</td>
<td></td>
</tr>
<tr>
<td>Other – please specify</td>
<td></td>
</tr>
</tbody>
</table>

3) To what extent do you feel the organisation is currently able to provide you with customised customer service at each of the contact points above? Highly customised service occurs, for example when, if you make a query at one contact point such as through email and another contact point such as an off site council employee (face-to-face) or perhaps a phone call from the call centre (telephone) then this information is incorporated, if relevant, into future interactions with you.

Please circle each row below:

<table>
<thead>
<tr>
<th>Current</th>
<th>Truly standardised – no tailoring to my needs</th>
<th>Minor customisation only</th>
<th>Attempts at customisation but not consistently delivered</th>
<th>Mostly customised</th>
<th>Highly customised – every contact is tailored towards my needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Face-to-face</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Telephone</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Mail</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Website</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Email</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Mobile staff</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

4) Please rate the degree of customised service you would like to receive from the organisation?

Please circle each row below:

252
5) In your own words describe three *benefits* to you of customised customer contact service.
4. _________________________________________________________________
5. _________________________________________________________________
6. _________________________________________________________________

6) In your own words describe three *concerns* you may have related to customised customer contact service.
4. _________________________________________________________________
5. _________________________________________________________________
6. _________________________________________________________________

7) How important to you is truly customised service?
Please circle one of the boxes below:

<table>
<thead>
<tr>
<th>Not at all important</th>
<th>Minor importance only</th>
<th>Becoming important</th>
<th>Important but not essential</th>
<th>Very important</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>
THANKYOU FOR COMPLETING THIS QUESTIONNAIRE.

Please return it to me by October 16 2001 either

- via fax 07 3853 3219 (a fax cover sheet is not necessary)
- or mail it directly to me:
  - Sarah Spencer-Matthews
  - University of Southern Queensland
    PO Box 10531
    Brisbane Adelaide St QLD 4000
- alternatively you can return it to the person who gave you the questionnaire so that they may pass it to me.
- please call me if you have any further queries on 07 3853 3236 or email ssm@usq.edu.au

If you would like a brief report on the research findings please complete your contact details below:

Name:

Postal Address:

Many thanks
Sarah Spencer-Matthews