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Published online: 16 Jun 2016.

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ABSTRACT

An organisation that has a robust customer interaction approach can develop a more holistic understanding of its customers. This insight is crucial for reducing related uncertainty in management decision-making. Understanding of the customer is a basic tenet for supporting decision makers in taking the right decisions. The objective of this literature review is to learn about the evolution of the customer interaction approach. The customer interaction approach is stressed as a relationship channel between the customer and organisation. The emergence of the customer interaction approach is discussed in terms of four existing approaches to customer related quality improvement: Total Quality Management (TQM); Service Quality Frameworks (SERVQUAL), Customer Relationship Management (CRM), and Customer Experience Management (CEM). This analysis indicates a number of key observations about CRM and CEM as the most recent customer interaction approaches. In the existing literature, CRM and CEM are well-defined. Distinctly, the relationship between CRM and CEM is complementary in nature. This means CRM promotes the management of customer data in a systematic way within a firm, while CEM reaches beyond the boundary of the organisation to support a holistic customer interaction approach underpinned by CRM data.

1. Introduction

Since the customer interaction approach to managing customers has become a central and strategic approach inside organisations, understanding the boundaries and terminology relating to customers is the basis of considering this strategy in-depth. Ranaweera, McDougall, and Bansal (2005, p 68) state that 'understanding customers is fundamental to successful business strategies.' However, understanding customers is difficult because of the risk of misunderstanding what and how customer information is needed. Davenport, Harris, and Kohli (2001) give a clear indication of the misunderstanding that most organisations make:

- Some organisations use data collecting and mining to know about their customers' transactions, without knowing the customers themselves, how to attract or interact with them, or adding some 'human' data, such as the information obtained when talking with customers.

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- Huge amounts of customer data may lead to difficulty finding the true data to support customer objectives or build true relationships.
- Human sentiment data is the more difficult type to collect or interpret compared with transaction or billing data. As a result, it is difficult to identify the optimum decision.

Gummesson (1987) suggests four interactive relationships: (1) interaction between the buyers and the seller's contact persons; (2) interaction between the buyers and the seller's systems; (3) interaction between the buyers and the seller's virtual or physical environment; and (4) Interaction among buyers who make the service between themselves. On the same basis, each organisation needs to validate and intensify its interaction processes with its customers. Gruner and Homburg (2000) provide six stages for assessing the reliability and validity of the intensity of customer interaction in idea generation: (1) the organisation interacts with customers beyond the standards of market research; (2) the duration of joint work is long; (3) the frequency of meetings with customers is high; (4) a large number of people from customer companies are involved; (5) the (perceived) intensity of customer interaction is high; and (6) the number of companies involved is high.

In fact, the concept of interactive relationships with customers is not new. For example, Figure 1 shows a conceptualisation of the interactive relationship between the customer and the organisation's entities, such as employees, machines and the organisation's environment (Gummesson, 1987). Based on this work, the author suggests that there is value in the organisation to work on building long-relationships with the customer. In addition, the lack of customer interaction effects the relationship between the customer and the organisation (Schultze, Prandelli, Salonen, & Van Alstyne, 2007). From this point, organisations work to build a strong relationship by focusing on customer interaction. Shaw and Ivens (2002) argue that the differentiator used to be product quality or functionality, but this became difficult to differentiate, due to the high cost of quality. The differentiator then moved to service and delivery, but it is also difficult to differentiate on service, due to the variety of services and products available today. So it became a relationship with the customer is the differentiator. In consequence, three parameters (quality, service or product, and customer) lead to the emergence of four significant stages in the evolution of the customer interaction approach as follows:

In accordance with the historic overview presented in Figure 2, the following sections take each stage of customer interaction, in turn, and consider the features and the justification for moving from one to the next. It also focuses on the relationship lifecycle of the customer interaction with the organisation.

Figure 1. Interactive relationships. Source: adapted from (Gummesson, 1987).
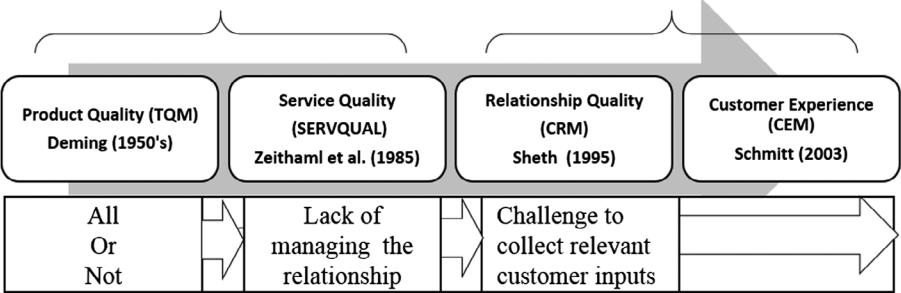
Figure 2. Historic overview of the eras of customer interaction approach. Source: Adapted and updated from (Schreuder, 2010).

1.1. Total Quality Management (TQM)

The quality management and control concept has been heavily discussed by quality champions such as Deming (1950s), Crosby (1970s), Juran (1980s) and Ishikawa (1990s). Total quality management (TQM) was an exciting newcomer in the late middle in the late middle of the twentieth century (Ravichandran & Rai, 2000).

McNabb and Sepic (1995) argue that TQM concentrates on the importance of improving all work processes to ensure consistent and standard outputs for improving the work environment to inspire and emphasise teamwork. Ravichandran and Rai (2000) define TQM as an integrated management philosophy that leads to a positive influence on organisational performance. Swanson, McComb, Smith, and McCubbrey (1991) declare that the vital goal of TQM is to obtain 'zero defect'. It is noteworthy to mention that eliminating all defects is almost impossible; however, striving to get closer and closer to a zero defect point is possible.

A major issue with TQM is the lack of integration between culture, climate, processes, policies and technologies, which means that it is more difficult to apply or at least to maintain TQM for a long time (McNabb & Sepic, 1995). As a result, both practitioners and researchers started looking for something better that could work to fulfil requirements either wholly or partially so that service quality could be raised. The important of service quality approach is that customer start playing better roles and he became more in the development and operation the organisation process, so actually, customer perspective and interesting just start with starting of service quality approach, next section describe service quality framework in details.

1.2. Service Quality Frameworks (SERVQUAL)

A service quality framework (SERVQUAL or RATER) has been developed by Parasuraman, Zeithaml, and Berry (1985). SERVQUAL focuses on the main standards for measuring service quality. SERVQUAL refers to five gaps between internal functions and the customer, so is sometimes called the 'GAP model'. Within SERVQUAL, customers evaluate the service they receive by comparing their perceptions and their expectations and, as a result, the gap widens when the experience does not meet expectation.

As shown in Figure 3, five main gaps have been determined in SERVQUAL. The first gap is the difference between the customer's expectations and management's perceptions due
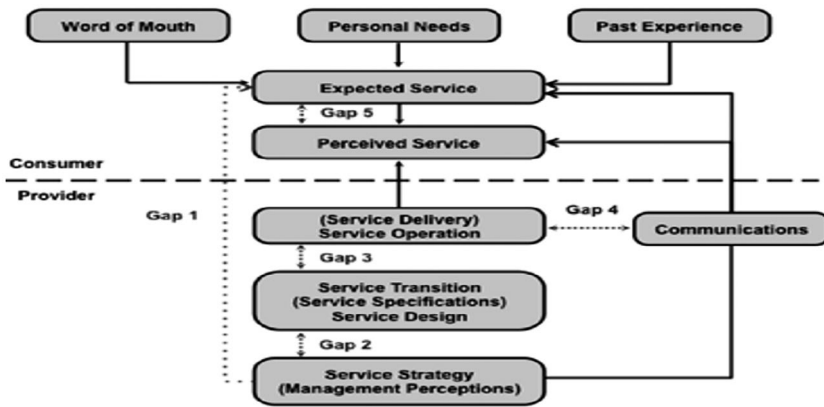
Figure 3. Service quality framework (SERVQUAL). Source: adapted from (Parasuraman et al., 1985).

to the shortage of insight by management regarding what customers want. The second gap is the difference between the management's perceptions and service quality and standards. The third gap is the difference between service quality specifications and service delivery. The fourth gap is the difference between service delivery and external communications due to a lack of communication with the customer about the delivery. The fifth gap outlines the difference between the expected service and the service that actually is experienced, where the service does not reach the customer's expectations.

However, Buttle (1996) critiques this framework from a theoretical and operational perspective respectively: (1) depending on the limitation in established economic, statistical, and psychological theory and item composition; and (2) the lack of managing the relationship between a firm's components, such as suppliers, and the marketing and sales departments. These limitations in the interaction led to thinking about an approach that could handle all the relationships inside a firm. Customer relationship management (CRM) was the best choice to perform at the time.

1.3. Customer Relationship Management (CRM)

In the mid-1990s, the term 'customer relationship management' (CRM) emerged from the IT vendor and practitioner community (Payne & Frow, 2005). CRM is based on the principle of integrating people, processes, and technology throughout a value chain in order to understand and deliver better customer value (Kim et al., 2004; Chen & Popovich, 2003). CRM is a comprehensive approach that undertakes to maximise relationships with all customers. Parvatiyar and Sheth (2001, p. 5) define CRM as:

> A comprehensive strategy and process of acquiring, retaining, and partnering with selective customers to create superior value for the company and the customer. It involves the integration of marketing, sales, customer service, and the supply-chain functions of the organization to achieve greater efficiencies and effectiveness in delivering customer value.

CRM involves a deep synthesis of strategic vision by understanding the nature of customer value in a multi-channel environment, the utilisation of information management (CRM applications), and high-quality operations and services (Payne & Frow, 2005). The number of value-added linkages with areas outside traditional CRM indicates creative and innovative

Table 1. CRM benefits. Source: adapted from Shanks et al. (2009).

Benefits for Operational Level of Management
1. Improved customer data management
2. Improved process management
3. Improved customer service
4. Empowerment of staff
5. Improved productivity
6. Enables real-time responsiveness to trends
Benefits for Tactical Level of Management
1. Facilitates market segmentation
2. Facilitates key account management
3. Improved channel management
4. Improved analysis, reporting and forecasting
Benefits for Strategic Level of Management
1. Improved customer satisfaction
2. Improved business performance
3. Improved value-added partnerships
4. Improved innovative use of CRM systems

use of CRM systems. CRM focuses on increasing customer satisfaction and retention by building long-term relationships. At the same time, CRM handles all of an organisation's activities and processes related to the customer. CRM has special benefits. Shanks, Jagielska, and Jayaganesh (2009) list these benefits, as shown in Table 1.

Customer Relationship Management (CRM) involves analysing and examining existing and potential customer bases for the most appropriate and identified forms of segmentation in order to create profitability. (Payne & Frow, 2005, 2006). Shanks et al. (2009) suggest that CRM assists organisations to maintain/gain a competitive edge in their industry by promoting a favourable image among their customers, thus strengthening their leadership in the market, specifically, increasing in profit, wallet share, customer retention, revenue per customer, sales, and the number of customers. Shanks et al. (2009) clarify that there has been growing interest in investigating how the functionality of CRM systems can be leveraged for customer-centric product development. CRM systems contain data about customer behaviour and preferences that can be used by the research and development functional areas of organisations for product innovation. Chen and Popovich (2003) require re-engineering of the processes of company-wide, cross-functional, customer-focused business for successful CRM implementation. In addition, Payne and Frow (2005, 2006) insist on the promotion of CRM from the level of a particular application, such as a call centre, to the level of a pan-organisation CRM strategy, involving the incorporation of customer interactions across all communication channels and front and back office applications and business functions. The information management comprehensive process includes the integration of:

- A data repository that provides a corporate memory of customers;
- IT systems, including the organisation's hardware;
- Software and middleware;
- Analytical tools; and
- Front office and back office applications.

Regarding a major shortcoming of CRM, Kamaladevi (2009) discusses the way CRM deals one way, from customer to firm, but fails to handle the relationship with the customer. Palmer (2010) declares that many researchers and practitioners have argued that CRM fails to provide the expected levels of customer value and organisational profit. According to Parvatiyar and

Sheth (2001), CRM has a challenge to collect relevant data input at each customer interface and instantaneously provide knowledge or recommendations as a suitable output to win customer business and loyalty, or CRM may need external interface to access customer details. Payne and Frow (2005), who studied CRM frameworks in-depth, suggest building a new tool that can support an organisation in carrying out a value assessment by quantifying the various attributes of a product according to customer preferences. It is strong evidence from Payne and Frow (2005) that CRM is not an approach for dealing with customers' perception or experience. The next section details customer experience management.

1.4. Customer Experience Management (CEM)

Recently, the Customer Experience Management (CEM) approach has drawn much attention from both experts and academics, due to the strength of its impact in determining the fate and success of organisations (Meyer & Schwager, 2007; Palmer, 2010). The competitive battleground is changing. New differentiators include the emotional attachment built with a brand and customer experience (Shaw & Ivens, 2002).

The origin of the word 'experience' is 'via Old French from Latin experientia, from experiri "try" (late Middle English), and it means practical contact with and observation of facts or events; also means an event or occurrence which leaves an impression on someone' (Oxford English Dictionary, 2006). In the last two decades, the customer experience phenomenon has drawn much attention from both experts and academics (Frow & Payne, 2007). The early clear emergence of customer experience (CE) was identified by Carbone and Haeckel (1994, p 8), who define this experience as 'the "takeaway" impression formed by people's encounters with products, services, and businesses - a perception produced when humans consolidate sensory information.'

Several definitions have since been given by authors, depending on the nature of their research and the conditions. Table 2 provides a brief summary of the main aspects of scholars' definitions of CE.

The most attractive definition of customer experience was by Meyer and Schwager (2007, 118).

> Customer Experience is the internal and subjective response customers have to any direct or indirect contact with a company. Direct contact generally occurs in the course of purchase, use, and service and is usually initiated by the customer. Indirect contact most often involves unplanned encounters with representatives of a company's products, service or brands and takes the form of word-of-mouth recommendations or criticisms, advertising, news reports, reviews and so forth.

This definition is attractive because Meyer and Schwager (2007) collect many of the customer experience management definitions within one definition that includes the aspects of customer experience (formal, unformed), the method and timing of the interaction (direct or indirect) and the time it occurred, and its trigger and direction. Thus, customer experience is a type of participation and interaction of customers among the organization and their feedback according to this interaction. The following paragraph argues the major characteristics of CEM that has more significant traits.

By examining numerous articles, the customer experience phenomenon has been marked by three aspects. Table 3 shows the classification of CE aspects, according to certain authors.

In Table 3, much attention has been attributed to emotions, value, and dual interaction roles to articulate CEM aspects. Shaw and Ivens (2002) confirm that to build a great customer

Table 2. Main definitions of CE.

Year	Author(s)	Definition
1994	Carbone et al.	'Primarily concerned with the systematic design and implementation of the context clues that are emitted by the product and/or service and the environment' (p2).
1999	Schmitt	The personality aspects are rational, emotional, sensorial, physical, and spiritual.
1999	Pine and Gilmore	Active and passive components of customer participation.
2000	Gupta and Vajic	'... An experience occurs when a customer has any sensation or knowledge acquisition resulting from some level of interaction with different elements of a context created by the service provider' (p34).
2002	Shaw and Ivens	A set of interactions between a customer and organisation, which incite a reaction. 'It is a blend of a company's physical performance and the emotions evoked, intuitively measured against customer expectations across all moments of contact' (p6).
2003	Schmitt	One of the early authors provided a CEM definition. He defines CEM as 'the process of strategically managing a customer's entire experience with a product or an organisation' (P17).
2006	Thompson	The customer thinking about the brand will be the volume of interaction.
2006	Mascarenhas et al.	Total customer experience (TCE) as focusing on a totally positive, engaging, and long-term customer experience across all main levels that calls for active interaction between customer and organisation.
2009	Verhoef et al.	Direct or indirect relationship and interaction.
2009	Kamaladevi	A strategy that aligns the operations and processes of a business towards the needs of individual customers, CEM testing both the quality of the organisation's execution and the efficiency of the result. It facilitates alignment between customer needs and the organisation's ability to satisfy the customer; thus, both organisation and customer are motivated to improve.
2010	TM Forum	The result of the sum of observations, perceptions, thoughts, and feelings over an interval of time.
2010	Radosavljevik	The process of strategically managing and optimising these experiences across all customer contact channels, in direct or intermediated interactions that are either customer initiated or driven by the organisation.
2011	Lohan et al.	Interrelated customer attributes, such as customer identity, perceived customer personality, customer location, and the team's experience with the customer.
2012	Teixeira et al.	Conceptually developed to characterise the different aspects of customer experience in a holistic diagrammatic representation in order to support service design solutions.
2012	Klaus et al.	The context of integrating organisation around delivery at the point of customer contact, based on customer perspective. Based on the above definitions and associated terminologies, for the purpose of this study, CEM can be defined as Managing the process of individual customer interactions across organisation functions to meet customer expectations.
2013	Powers and Aponovich	Concentrate on the mechanism of delivery an organisation offers in getting products to the customer.

Note: TM Forum: a global, non-profit association focused on enabling service provider agility and innovation (http://www.tmforum.org).

Table 3. Overview of the literature on aspects of CEM.

Theme	Study
ROLE OF EMOTIONunderstanding the level of customers' emotional engagement	Schmitt (1999, p. 26), Pine and Gilmore (1998), Berry et al. (2002), Meyer and Schwager (2007), Gentile et al. (2007), Nagasawa (2008), Berry et al. (2006), Lohan, Conboy, and Lang (2011), Shaw and Ivens (2002); and Berry et al. (2002), Schmitt (2003)
ROLE OF VALUEThe perceived value that customers recognise	Woodruff (1997), Schmitt (1999), Prahalad and Ramaswamy (2003), Nagasawa (2008), Johnston and Kong (2011), Pentina et al. (2011), Uusitalo (2012), and Keen and Williams (2013), Verhoef et al. (2009), Rose et al. (2012)
ROLE OF DUAL INTERACTIONcustomers' integration with organisation interfaces (process, technology, and contents)	Schmitt (2003), Thompson (2006), Powers and Aponovich (April Powers & Aponovich, 2013), Verhoef et al. (2009), Meyer and Schwager (2007), Garg et al. (2012), Rose et al. (2012), and Berry et al. (2006)

experience, it is crucial to understand the emotional readiness and confidence levels of customers. Berry, Carbone, and Haeckel (2002) state that 'Companies must manage the emotional component of experiences with the same rigour they bring to the management of product and service functionality.' Keen and Williams (2013) argue that it is not only the seller; it is also the customer who determines which scopes of value matter and how offers are evaluated. Woodruff (1997) discusses that the value of the customer is high as long as the value of the organisation is high. Berry, Wall, and Carbone (2006) declare that customers consciously and unconsciously filter experience clues and organise them into a set of impressions in interacting with organisations; some of these clues are more rational or calculative and others more emotional. Nevertheless, the most important point is a focus on understanding and providing correct concepts about them.

While existing literature considers the role of value, emotion and dual interaction independently. As illustrated in Table 3, it is difficult to find empirical research considering these aspects in a single study. Although, some researchers consider two of the three aspects. For example, Schmitt (1999) and Nagasawa (2008) require understanding of the emotions of customers, and also, the customer needs to realise the value gained through his experiences with the organisation. Meyer and Schwager (2007), Berry et al. (2006) and Schmitt (2003) focus on the level of the customer's emotions and how the interfaces of the organisation can communicate with the customer and benefit from the customer's feedback. While Verhoef et al. (2009) and Rose et al. (2012) highlight the perceived value to the customer and improving the dual interaction with the customer. In conclusion, each aspect is found in the literature, either single or in combination with another aspect. Thus, the consistent consolidation of the three aspects may be the way to reach the optimal customer experience management. It will generate a common language between academics and practitioners for better standardisation of customer interaction approach.

In contrast, it is necessary to differentiate between customer relationship management (CRM) and customer experience management (CEM), because some understand CEM to be a substitute management approach for CRM (Palmer, 2010). The following section explains the similarities and differences between CRM and CEM in more detail.

1.5. CRM VS. CEM

The era of CRM preceded that of CEM, as explained in the historical timeline. There are clear differences between CRM and CEM from the terminology and functionality perspectives.

Some researchers link CRM and CEM as integrative sets. For example, Uusitalo (2012, p 19) explains that there is a strong link between customer relationship management and customer experience management, such that CEM is an expansion of CRM: 'CEM complements CRM, rather than acts as a replacement for it.' Leber (2013) declares that only a combination of CRM and CEM components provides the opportunity for organisations to focus on their customer base holistically.

Others differentiate between them according to their components, purpose, or the time they are applied. According to Verhoef et al. (2009, p 38), 'Customer experience management differs from customer relationship management by focusing on the current experience of the customer, rather than the recorded history of the customer.' Meyer and Schwager (2007, p 4) also state that 'Customer experience management and customer relationship management differ in their subject matter, timing, monitoring, audience, and purpose.' Functionally,

CRM handles particular customer events or transactions, such as billing, orders, and activated services or products, while CEM seeks to define particular customers' impressions about an organisation as one entity with the instant response of the customer and feedback regarding the organisation's service. CEM focuses on understanding what the customer thinks about an organisation, while CRM takes a more organisation-centric viewpoint and deals with data the organisation has about its customers (Uusitalo, 2012).

Regarding a major shortcoming of CRM, Kamaladevi (2009) discusses the way CRM deals one way, from customer to firm, but fails to handle the relationship with the customer. Palmer (2010) states that many researchers and practitioners have argued that CRM fails to provide the expected levels of customer value and organisational profit, while CEM could be an integrating solution that eliminates the limitations of CRM, theoretically and practically.

CRM seems to be an approach and is closer to being a technological tool, while CEM is a concept, rather than simply a tool. In practice, CRM is equated with technology used for tactical automation projects and is a business strategy to gain, raise, and retain profitable customer relationships (Chen & Popovich, 2003). In this new customer orientation, the term 'customer relationship management' has become tainted and must be avoided, while CEM reflects the sense of being a customer-centric strategy without any stigma attached (Thompson, 2006). On other hand, CRM has a challenge to collect relevant data input at each customer interface and instantaneously provide knowledge or recommendations as proper decisions to win customer business and loyalty (Parvatiyar & Sheth, 2001). CEM needs CRM to gain information from inside an organisation, while CRM needs CEM to have accurate information about the customer from outside the organisation (Meyer & Schwager, 2007). Strategically, customer relationship management focuses on the recorded history of the customer, and customer experience management concentrates on the current experience of the customer (Verhoef et al., 2009).

In addition, this marks an improvement in the customer experience management. Assembling what the customer is thinking turned into an interactive dialogue between the customer and the organisation, and based on the customer's emotions and feelings instead of just focusing on what the customer thinks about the organisation (Gentile et al., 2007; Johnston & Kong, 2011; and Uusitalo, 2012). Also, there is a shift to collecting data from social media and web pages instead of regular touch points that the customer uses (Palmer, 2010; Schmitt, 2011; and Verhoef et al., 2009). The practice of allocating departments specialising in the customer experience, rather than the stand-alone voice of customer feedback (Galbraith, 2011). The use of systems containing functions that work on the monitoring and analysing of customer experiences has shifted to an ongoing basis, rather than the work of a field survey or interim study research (Spiess et al., 2014; Chakravorti, 2011). In addition, using customer experience information is not only limited to business or functional leaders who are interested in knowing the experiences of customers to benefit the organisation or enhance the products, but goes beyond to include psychologists, linguistics, economists and sociologists. CEM is open to contributions from adjoining disciplines (Schmitt, 2011; Joshi, 2014). Concerning the role of the customer in changing the product or service specifications, it has turned into a role of leading and engagement in sharing the service design, where the customer has also become involved in the decision (Kamaladevi, 2010; Palmer, 2010). All of above changes in the 'new fashion' of CEM has upgraded customer loyalty to customer advocacy; customers who are not just loyal to purchasing the organisation's services or products, but long-term loyal advocates (Kamaladevi, 2010). Table 4 presents a

Table 4. CEM vs. CRM. Source: adapted Meyer and Schwager's work (2007) by leveraging recent literature.

	What	When	How Monitored	Who Uses the Information	Relevance to Future Performance	Target
Customer Experience Management (CEM) 'New Fashion'	• Interactive with a customer and analyse the customer behaviour (Gentile et al., 2007) • Emotional bonds (Johnston & Kong, 2011) • Customer feedbacks (Uusitalo, 2012)	• Social Contexts (Schmitt, 2011) • Public Web pages (Verhoef et al., 2009) • Purchasing transaction and data streaming (Palmer, 2010)	• Data Analytic Organisation Customer Oriented Behaviour (Spiess et al., 2014) • Detected units and systems (Galbraith, 2011)	• psychology, linguistics, economics, management, and sociology (Schmitt, 2011) • Strategists and business leaders, in order to build the business strategies based on Customer experience (Joshi, 2014)	• Leading and engagement: sharing in product/ service design and implementation (Palmer, 2010) • Involving in decision-making (Kamaladevi, 2010)	Customer Advocacy (Kamaladevi, 2010)
Customer Experience Management (CEM) 'Old Fashion'	Captures and distributes what a customer thinks about a company	At points of customer interaction: 'touch points'	Surveys, targeted studies, observational studies, 'voice of customer' research	Business or functional leaders, in order to create fulfil able expectations and better experiences with products and services	Leading: Locates places to add offerings in the gaps between expectations and experience	Customer Loyalty
Customer Relationship Management (CRM)	Captures and distributes what a company knows about a customer	After there is a record of a customer interaction	Point-of-sales data, market research, Web site click through, automated tracking of sales	Customer-facing groups such as sales, marketing, field service, and customer service, in order to drive more efficient and effective execution	Lagging: Drives cross selling by bundling products in demand with ones that aren't	Customer Satisfaction

Figure 4. Complementary relationship between CRM and CEM.

comparison between CRM, CEM, and new CEM. The table has been adapted from Meyer and Schwager (2007) and modified by leveraging recent literature. The row highlighted in blue presents the new CEM. It includes ideas from recent literature outside of the work of Meyer and Schwager (2007).

In conclusion, CRM is capable of benefiting CEM in performing its functions. While CEM focuses on the best customer interactions, CRM focuses on managing this interaction. Payne and Frow (2005, p 170) state that 'CRM activity will involve collecting and intelligently using customer and other relevant data (the information process) to build a consistently superior customer experience and enduring customer relationships.'

Chen and Popovich (2003) emphasise that CRM is an integrated approach to managing relationships by focusing on customer relationship development. Rawson, Duncan, and Jones (2013) find that organisations able to skilfully manage the entire customer experience reap the rewards of enhanced customer satisfaction. 'By combining the abilities to respond directly to customer requests and to provide the customer with a highly interactive, customised experience, companies have a greater ability today to establish, nurture, and sustain long-term customer relationships than ever before' (Winer, 2001, p 89). In fact, CRM and CEM are two separate approaches, even though they exist in a complementary relationship.

2. Conclusion

This study performed a literature review of existing customer interaction approach research. The authors reflect their synthesis of this area in the historic overview model presented in Figure 2. The rationale for visiting older literature was to illustrate the evolution of the research focus from product quality to the customer and more recently customer interaction. The historic overview model presents a high level view of the key phenomenon in these areas; this includes the four facets of customer interaction approach: TQM, SERVQUAL, CRM, and CEM. In sequence, the authors seek to convey the importance of consolidation of the role of emotion, the role of value, and the role of interaction in the characteristics of CEM, outlined in Table 3. In addition, this paper conducts a comparison of the recent two interaction approaches, CRM and CEM, by illustrating the similarities and differences to clarify that CEM is not to be a substitute management approach for CRM. Moreover, this paper ends up expressing the relationship between CRM and CEM as a complementary relationship. Both CRM and CEM are capable of benefiting each other by combining their abilities to manage and enhance the customer interaction properly, as presented in Figure 4.

An in-depth understanding of the evolution of the customer interaction approach is essential to carry out further research on the customer focused strategy. Subsequently, the investigation of these phenomena underpins the broader research project where the objective is to explore the relationship between the IT capability and a customer-focused strategy in an organisation. Within the context of a larger research study, data has been collected and is currently being analysed. Interviews were conducted with managers from IT and business functions of three large organisations from service industry in Saudi Arabia and Ireland. Field data initially suggests that organisations have mature CRM cultures, underpinned by strong Know Your Customer (KYC) principles. There is also evidence that a nascent customer interaction approach is emerging, and IT organisations are playing an increasingly important role in these front office operations. The emerging relationship between IT capabilty and the customer interaction approach will be reported on in the next phase of this project.

Disclosure statement

No potential conflict of interest was reported by the authors.

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